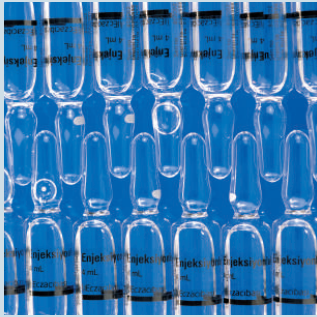




A HEALTHY FUTURE



*“Not only did the Eczacıbaşı Group achieve positive bottom-line results in 2001,*

*we maintained a solid financial structure throughout the most challenging periods of the year while continuing to invest in*



*our future. We believe these*

*achievements are directly attributable to our Group values.”*







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## MESSAGE FROM THE CHAIRMAN



*The year 2002 has special significance for the Eczacıbaşı Group.*

*Sixty years ago, our Group's founder, Dr. Nejat F. Eczacıbaşı, established a small laboratory to manufacture scarce vitamins and simple pharmaceuticals. Guided by his vision of a better tomorrow, he developed this initial venture into pioneering investments in pharmaceuticals, ceramic sanitary ware and tissue paper that today form the core of our 37-strong group of companies.*

*Dr. Eczacıbaşı also left us an intangible legacy – a strong sense of direction and a set of values that define our Group culture and business principles. Today, we see this legacy to be our most powerful asset. It has underpinned our Group's continued development over the last decade and enabled us to overcome adversity. We believe its strength was clearly demonstrated in 2001.*

*Last year, the Eczacıbaşı Group attained pre-tax earnings of \$30 million on combined net sales of \$1.2 billion. Relative to 2000, earnings and sales declined 69.9 and 14.6 percent respectively in dollar terms, unusually weak results for our Group. But 2001 was an unusual year.*



*In 2001, Turkey's gross national product declined 9.4 percent in real terms, by far the most severe contraction in economic activity since World War II, the Turkish lira devalued 115.3 percent against the US dollar and wholesale price inflation jumped to 88.6 percent. The impact of these developments in Turkey was compounded by the horrific events of September 11. By year-end, thousands of businesses had folded, unemployment had risen by almost a third and capital investments had dropped 32 percent. Published data for 194 publicly traded non-financial companies, presumably among the strongest enterprises in Turkey, has revealed a combined net loss for these companies in dollar terms more than half as large as their combined profits in 2000 and a 19 percent drop in net sales.*

*Not only did the Eczacıbaşı Group achieve positive bottom-line results in 2001, we maintained a solid financial structure throughout the most challenging periods of the year while continuing to invest in our future, allocating \$47.4 million for modernization and capacity expansion projects. Both at home and abroad we strengthened our market position, increasing the shares of many Group brands in Turkey and finalizing agreements in international markets that will enable us to increase further our export sales in the years ahead. We established an equal share joint venture with Union Bancaire Privée, a leading Swiss bank, to provide asset management services to local and international retail and institutional investors. For the fifth consecutive year, an Eczacıbaşı Group company was the recipient of the National Quality Prize.*

*We believe these achievements are directly attributable to our Group values. One of these is self-respect, which we ensure by maintaining a sound financial structure. We do not stretch our resources imprudently. We prepare well in advance for difficult economic conditions of the kind we faced in 2001.*

*Another is customer-focused quality. Eczacıbaşı businesses seek to set the highest standards in their sectors and continually raise their own benchmarks.*

*By pursuing the best, we consolidate our leadership at home and prepare ourselves for the demands of rigorous international markets.*

*A third is embracing change. We endeavor to put new technologies to the service of our customers. We enhance our competitive edge through innovation and strategic international partnerships that augment this competency.*

*The Eczacıbaşı Group's longstanding policy of cautious expansion and prudent financing policies served it well in 2001. At the start of the year, it was clear that the government's pegged exchange rate regime and monetary program were unsustainable. Badly needed reforms had been delayed and investor confidence was eroding rapidly. Accordingly, we instructed our companies to prepare targets and budgets for the worst eventuality. We tightened our working capital and financial risk management and implemented measures to increase our liquidity and enhance our cash generation. When the second financial shock occurred in February 2001, the Eczacıbaşı Group had a reasonable debt/capital ratio and a highly liquid financial structure.*

*Another key contributor to the Eczacıbaşı Group's solid performance in 2001 was our export capacity. Over the last decade, all Group manufacturing companies have focused on expanding their export sales by developing products for the specific requirements of international markets, obtaining product approvals from international agencies, and establishing wholesale and retail networks in targeted markets. Two years ago, exports already accounted for 25 percent of the Group's manufacturing revenues; in 2001, we increased this ratio to 32 percent. Leading this export drive is our Building Materials Division, which has increased its exports more than three-fold since 1993 to \$136.7 million. Last year, our tissue paper manufacturer also contributed significantly to Group exports, raising these revenues by 77.9 percent to \$33.7 million. We are encouraged by the recent success of our Pharmaceuticals Division in obtaining formulation and production system approvals from*

*stringent European drug agencies, achievements that will facilitate the steady expansion of our finished pharmaceutical exports in the coming years.*

*Exports will continue to contribute fundamentally to the Eczacıbaşı Group's sales in 2002, as recovery in the national market is likely to be slow. In the past, Turkey's economic authorities were able to stimulate rapid economic growth through increased spending. Financed with debt and lacking the structural reforms necessary to prevent subsequent economic crises, these measures were ultimately unsustainable. This time, the government has made significant headway in addressing deep-rooted structural problems, including its unchecked use of debt to finance growth. We are confident, therefore, that the short-term problems posed by slower recovery will be greatly outweighed by the contribution it makes to long-term economic stability.*

*Today, Turkey has an historic opportunity. Having completed major economic reforms over the last two years, it is now freer to focus on long-standing issues that have prevented it from moving faster towards its goal of membership in the European Union. The Eczacıbaşı Group firmly supports this process of integration, which we have long prepared for and in which we believe lies our future.*



**BÜLENT  
ECZACIBAŞI**



## GROUP PROFILE

Eczacıbaşı is a prominent Turkish industrial group with a combined net turnover of \$1.2 billion, 37 companies and more than 7,200 employees in 2001. Eczacıbaşı's core sectors are pharmaceuticals, building materials and consumer products. The Group is also active in finance, information technology and welding technology.

In Turkey, Eczacıbaşı is the leader in seven of its 12 industries, including pharmaceuticals, ceramic sanitary ware, tissue paper and personal care products. It also has the most extensive distribution coverage, reaching over 90 percent of the nation's sales points.

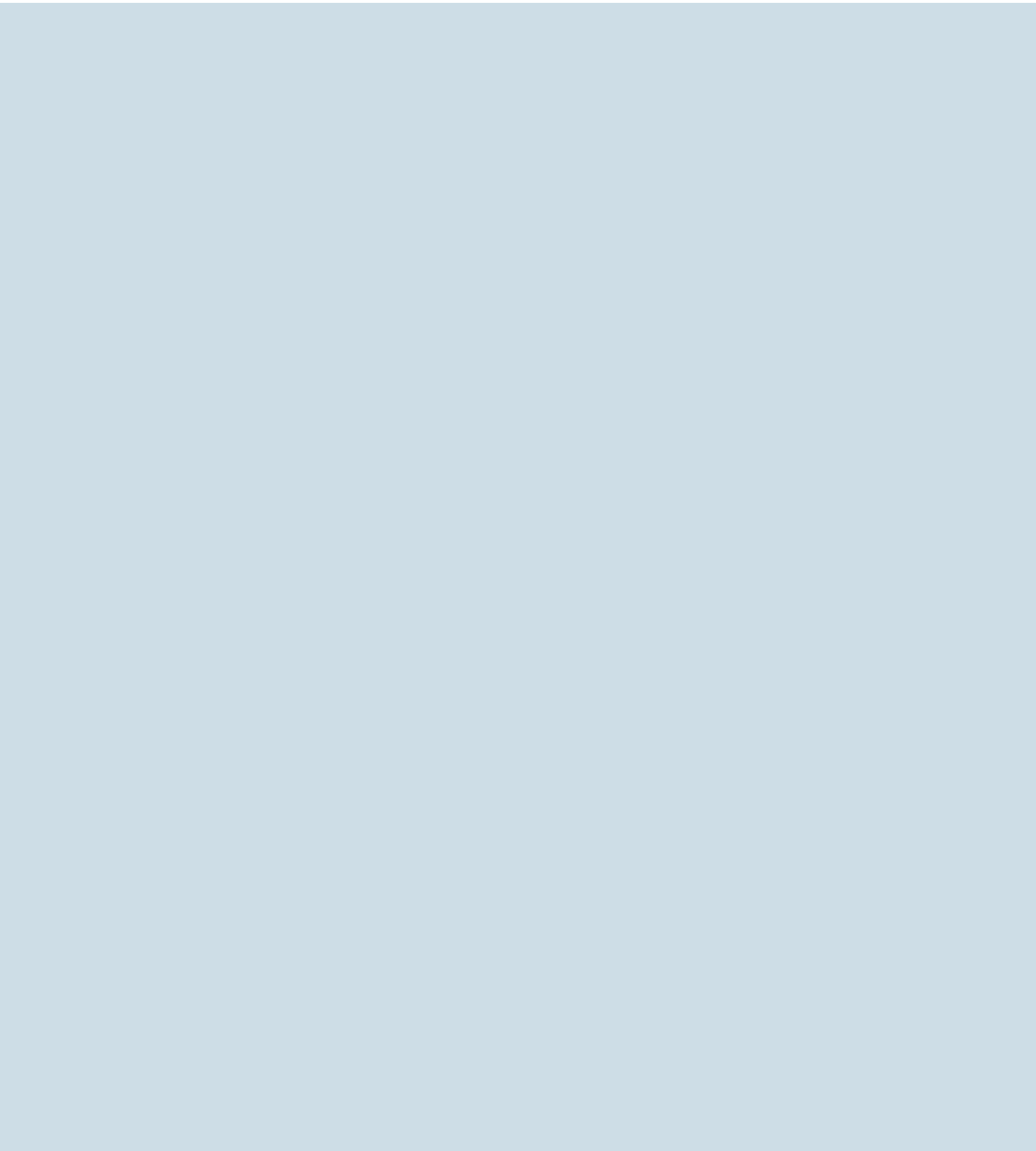
International partnership is a central component of the Eczacıbaşı Group's growth strategy. Eczacıbaşı has 10 joint ventures and close to 30 cooperation agreements with leading international companies. All of these are grounded on the principle of long-term mutual benefit, based on firm business criteria and ethical business practices.

Founded in 1942 by Dr. Nejat F. Eczacıbaşı, the Eczacıbaşı Group takes its name from the honorary title "chief pharmacist", conferred on the father of Dr. Eczacıbaşı at the turn of the last century. The Eczacıbaşı Group's mission is to be a pioneer of modern, high quality and healthy lifestyles. Accordingly, the Group encourages each of its companies to surpass established standards in their sectors and raise consumer benchmarks of product and service quality. Through sponsorship and responsible corporate practices, it also promotes social and economic development that nurtures cultural and scientific activity, protects the environment and preserves scarce natural resources.

Eczacıbaşı Holding is the parent company of the Eczacıbaşı Group. This is a family-owned, professionally managed company now directed by the second generation. Five Group companies are traded on the Istanbul Stock Exchange, including Eczacıbaşı Pharmaceuticals Company, Eczacıbaşı Building Materials Company and Intema Building Materials Marketing and Sales Company.

## GROUP MILESTONES

- 1942** Dr. Nejat F. Eczacıbaşı, founder of the Eczacıbaşı Group, returns to Turkey from graduate studies abroad and establishes a pharmaceutical laboratory.
- 1952** The Group establishes Turkey's first national pharmaceutical plant.
- 1958** The Group establishes Turkey's first large-scale ceramic sanitary ware factory.
- 1959** Founding of the Scientific Research and Medical Award Fund to promote medical research in Turkey.
- 1970** The Group establishes Turkey's first modern tissue paper plant.  
Establishment of a parent company to coordinate Group resources and investments, Eczacıbaşı Holding.
- 1972** The Group establishes a national marketing and distribution company for consumer products.
- 1973** Launch of Turkey's first publicly-traded investment trust.
- 1977** The Group inaugurates a new sanitary ware plant that today ranks among the world's largest.
- 1978** Creation of the Dr. Nejat F. Eczacıbaşı Foundation to promote cultural events, scientific research and social development.  
The Group establishes a publicly-owned company to market and distribute Group building material products in Turkey.
- 1982** The Group establishes a pharmaceutical raw material plant and a parenteral solution plant.  
The Group establishes a full-service brokerage house.
- 1983** The Group establishes Turkey's first modern sanitary fittings plant.
- 1990** Initial public offering of the Group's finished pharmaceutical manufacturer.
- 1992** The 50th anniversary of the Eczacıbaşı Group marks the beginning of a new era of growth with the inauguration of:
  - A state-of-the-art pharmaceutical plant with an annual capacity of 200 million units per year,
  - A modern tissue paper plant in a joint venture with the forerunner of Fort James, now a subsidiary of Georgia Pacific,
  - A ceramic wall and floor tile plant,
  - Bathtub and kitchen furniture manufacturing plants.
- 1993** Dr. Nejat Eczacıbaşı passes away.  
Establishment of joint ventures in the personal care sector with Beiersdorf and Avon.
- 1994** Long-term cooperation with Baxter International in parenteral solutions becomes a joint venture.
- 1995** Initial public offering of the Group's ceramic sanitary ware and fittings producer.
- 1996** Executive leadership is assumed by the second generation of the Eczacıbaşı family.
- 1998** The Group establishes its first plant abroad to manufacture ceramic tiles.  
The Group establishes joint ventures with Koramic Building Products and Lincoln Electric.
- 1999** The Group establishes Turkey's first smart card manufacturing and personalization plant, now a joint venture with Giesecke & Devrient.
- 2000** The Group establishes Turkey's first comprehensive home health care service provider with The Corridor Group.
- 2002** The Group's joint venture asset management venture with Union Bancaire Privée, the first of its kind in Turkey, starts operations.



# CORPORATE GOVERNANCE

**The Eczacıbaşı Group is committed to upholding the strictest business ethics in all of its business decisions and activities and to promoting business excellence through a management approach that focuses on customers and employees, encourages participation, creativity and innovation and respects the individual, the environment and the community.**

The Eczacıbaşı Group is a professionally managed group of 37 affiliated companies directed by the Group's parent company, Eczacıbaşı Holding. The primary functions of Eczacıbaşı Holding are to develop the Group's long-term goals and business strategy and coordinate Group resources and investments accordingly.

Eczacıbaşı Holding's executive structure reflects the priority the Group gives to encouraging management participation at the highest level of its decision-making process. Under the leadership of its Board of Directors, which determines the Group's main objectives and the strategies to achieve these, Eczacıbaşı Holding has established an Executive Steering Committee with broad responsibility and authority on Group management decisions. This committee comprises the chairman and vice-chairmen of the Board of Directors and the vice-presidents of Eczacıbaşı Holding's main operational and functional divisions.

Among other duties, the Executive Steering Committee approves investments and annual budgets submitted by Group companies, monitors progress in both areas, and recommends measures for ensuring that targets are met. It evaluates new business opportunities and submits its recommendations on these to the Board of Directors. It oversees the implementation of the Group's human resource policies and approves recommendations for executive appointments. It also sets out the main principles of the Group's organizational structure.

The Executive Steering Committee is supported in these responsibilities by a number of sub-committees involving the senior management of Group companies. These committees cover key management issues: auditing, new business development, human resources; planning, finance and investments; corporate communication and coordination of company activities within core business divisions.





## BOARD OF DIRECTORS



(From left to right)

**Prof. Dr. Münir Ekonomi**  
**Director**

**Dr. Öztin Akgüç**  
**Director**

**Faruk Eczacıbaşı**  
**Vice Chairman**

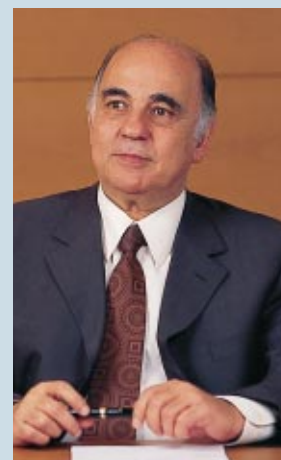
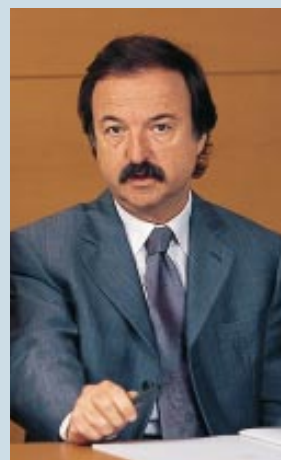
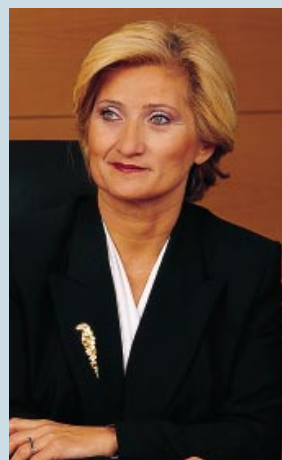
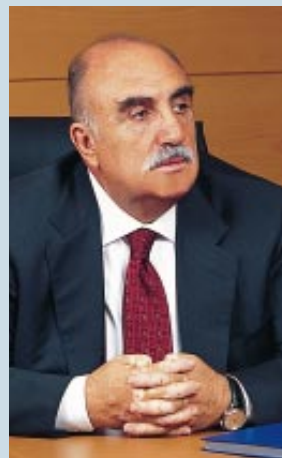
**Bülent Eczacıbaşı**  
**Chairman**

**Sezgin Bayraktar**  
**Vice Chairman**

**Prof. Dr. Asaf Savaş Akat**  
**Director**

**Prof. Dr. Erdoğan Alkin**  
**Director**

**Oktay Tulpar**  
**Director**



# CORPORATE GOVERNANCE

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**“If we are to maintain our successful performance in the future, we must learn continuously, and creatively apply what we learn to the task of innovation.”**

Bülent Eczacıbaşı, Chairman of the Board

In the early 1990s, the Eczacıbaşı Group formally initiated its search for the management approach that would strengthen its ability to respond quickly and effectively to the rapidly changing business world. It found its guide in the principles of total quality management and the Excellence Model developed by the European Foundation for Quality Management (EFQM).

Today, 14 of the Group's 37 companies are regularly undertaking the self-assessment programs that underpin the Group's total quality management drive and the goal is to extend this steadily to all Group companies. Since 1997, five Group companies have received awards or prizes from Turkey's quality association for achievements in this area; one has also received the prestigious EFQM Quality Prize.

The Eczacıbaşı Group quickly internalized the principles of total quality management because its founder, Dr. Nejat F. Eczacıbaşı, had established a corporate culture that supported this management approach. The building blocks of this culture were his values – integrity, respect for yourself and others, and a commitment to providing consumers in Turkey and abroad the highest quality products and services.

Increasingly, the Eczacıbaşı Group is focusing its total quality management drive on creativity and innovation, the two most important determinants of business performance in the years to come. One of the ways it is already doing this is by promoting management practices that empower individual employees and motivate them to be creative and innovative. Another is through the annual recognition of initiatives that create or have the potential of creating tangible improvements in the business performance of Group companies through differentiation in products, services, business operations and management processes.

In 2001, to underline the importance it assigns to creativity and innovation, the Group renamed the annual Eczacıbaşı Quality Day the Eczacıbaşı Creativity and Innovation Day, expanded the scope of its annual Creativity and Innovation Awards and encouraged Group companies to submit more entries.

On December 10, 2001, in a daylong event that began with a keynote speech by Dr. Stan Davis on [The Integration of Business Strategy with Creativity and Innovation](#), Eczacıbaşı Holding presented awards to nine Group companies for innovative projects. The top award winners were İpek Kağıt, the Group's tissue paper manufacturer, for its internationally patented tissue paper box; and Intema, the Group's national marketing and sales company of building material products, for its successful transfer of business operations and functions to the 'virtual' environment. Eczacıbaşı Holding also recognized 11 Group companies for their achievements in the area of total quality management. Eczacıbaşı Bathtubs Manufacturing, the Group's bathtub manufacturer and the winner of the 2001 National Quality Award, was the recipient of the Group's top quality prize.





## A PLEDGE ENDORSED

2001 Eczacıbaşı Bathtubs Manufacturing  
**National Quality Award\***  
in the SME Category

2000 Eczacıbaşı-Vitra  
**EFQM Quality Prize**  
in the Large Business Category

2000 Eczacıbaşı-Artema  
**TÜSİAD-KalDer Quality Prize**  
in the Large Business Category

1999 Kaynak Tekniği  
**TÜSİAD-KalDer Quality Award**  
in the SME Category

1998 Eczacıbaşı-Vitra  
**TÜSİAD-KalDer Quality Award**  
in the Large Business Category

1997 İpek Kağıt  
**TÜSİAD-KalDer Quality Prize**  
in the Large Business Category

\*In 2001, the TÜSİAD-KalDer Quality Awards  
became the National Quality Awards





## SUMMARY OF GROUP PERFORMANCE

The Eczacıbaşı Group achieved its three main goals in 2001: to maintain a strong financial structure, retain its leading shares in its primary markets in Turkey and increase its exports.

Soon after the November 2000 financial shock, the Eczacıbaşı Group adopted a defensive management strategy, which it maintained through the remainder of the year even as relative calm returned to Turkey's financial markets. Concerned about the steady deterioration in macroeconomic balances, Eczacıbaşı Holding, the Group's parent company, issued a set of austere financial targets for Group companies and advised them to base their 2001 sales targets and budgets on a severe decline in domestic economic activity. The primary aim of this financial strategy was to maximize the Group's liquidity through effective cash management. To achieve this, the Group lowered inventories, reduced receivable terms and increased savings. Group companies with export capacity raised their export targets; companies operating primarily in the national market developed plans to defend their market share.

This strategy enabled the Eczacıbaşı Group to minimize the impact on its operations of the second financial shock in late February 2001 and the contraction in domestic demand that began in the second quarter and continued through the remainder of the year.

### Eczacıbaşı Group Financial Highlights\* \$ Million

	1999	2000	2001
Net Sales	1,297.2	1,405.7	1,200.5
Exports	144.2	165.7	188.5
Investments	88.4	90.5	47.0
Pre-Tax Earnings	117.0	102.3	30.8

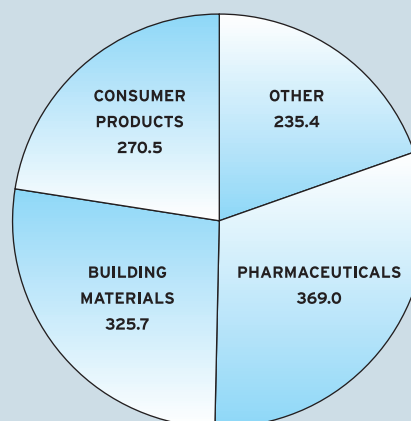
\*Combined results of Group companies excluding marketing subsidiaries incorporated abroad.

Like other industrial groups based in Turkey, the Eczacıbaşı Group's performance was primarily affected by two developments in 2001: the swift devaluation of the Turkish lira that started in late February 2001 and the subsequent downturn in domestic activity. On February 21, the Turkish government announced that it was removing the Turkish lira from the crawling peg exchange rate system and allowing it to float freely. Within two days, the price of the US dollar had jumped from TL 684,900 to TL 1,072,200. Steady devaluation through the spring and summer months carried the cost of the US dollar to a high of TL 1,636,942 in October before it receded to its final level of TL 1,253,000 at year-end, up 115.3 percent relative to the start of the year.

This devaluation had several detrimental effects on the Eczacıbaşı Group's operations and financial results in 2001. Firstly, it increased the cost of imported raw materials used by its manufacturing operations as well as the cost of finished products imported by its marketing companies in Turkey. Secondly, it caused significant foreign exchange losses on the financial statements of several Group companies utilizing long-term, hard currency bank loans. The latter was the primary factor behind the 69.9 percent decline in the Group's pre-tax earnings, a development that contrasted sharply with the 14.0 percent increment the Group achieved in operational profit.

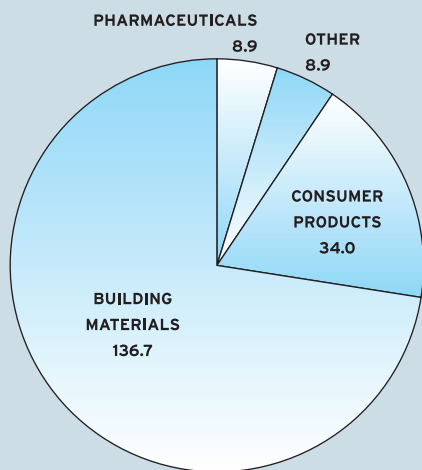
However, the devaluation also had beneficial consequences for the Group's performance. It enhanced the international price competitiveness of Group exporters, contributing to the Eczacıbaşı Group's 13.7 percent expansion in export sales last year. Likewise, it caused exporting companies to record a foreign exchange gain on receivables from export sales. Benefiting the most from both developments was the Building Materials Division, which earned 42 percent of its

2001 NET SALES BY DIVISION, \$ MILLION



revenues from export sales in 2001. This ratio would have been even higher had it not been for the terrorist attacks of September 11, which exacerbated the trend in major international markets towards slower growth and dampened consumer demand in the last quarter of the year.

2001 EXPORTS BY DIVISION, \$ MILLION



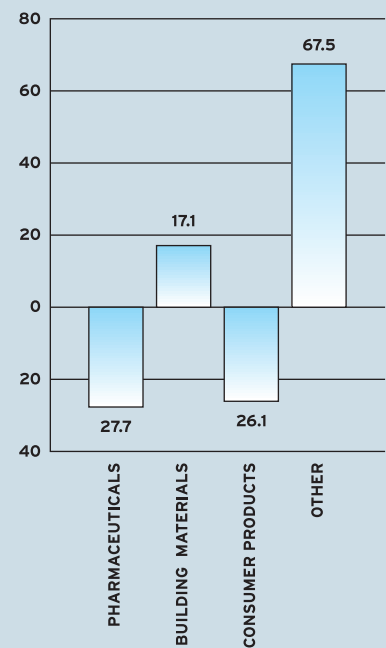
The second factor significantly affecting Group operations in 2001 was the steep slide in private and public consumption, which dropped 9.0 and 8.6 percent respectively in real terms. Two of the Group's three core divisions, the Pharmaceuticals and Consumer Products Divisions, primarily serve the national market, so these were the most challenged by the decrease in domestic activity. Through carefully prepared marketing activities, however, all three Divisions strengthened their overall shares in their main product segments in 2001, a development that will enable them to grow faster than their competitors in the periods ahead as the Turkish economy gradually recovers its growth trend.

A third factor particular to the national pharmaceutical sector exclusively hampered the performance of the Pharmaceuticals Division. In Turkey, the ex-factory sales prices of locally manufactured pharmaceuticals are controlled by the Ministry of Health. Last year, in an effort to reduce the impact of the economic crisis on consumers and the budget of state health institutions, the Ministry held price increases well below import costs, which rose parallel to the devaluation, and delayed the authorization process. According to data collected by the Turkish Pharmaceutical Manufacturers' Association, this policy was the primary cause of the estimated 25 percent loss recorded by the national pharmaceutical industry in 2001.

In the implementation of its defensive management strategy in 2001, the Eczacıbaşı Group benefited from the

diversity and balanced risk of its 37-strong business portfolio. One aspect of this is the Group's strong export capacity, most notable in the Building Materials Division but gaining importance in other core businesses as well. Another is its conservative exposure to the financial sector, which proved capable of causing considerable damage to the operations of many industrial groups in Turkey last year. The reverse was true for the Eczacıbaşı Group. In 2001, the Eczacıbaşı Group's financial operations contributed by far the largest share of Group profits, confirming the judiciousness of the Group's strategy in this sector and the strength of its financial management.

2001 PROFIT (LOSS) BY DIVISION \$ MILLION



# ECZACIBAŞI PHARMACEUTICALS DIVISION

An integrated pharmaceutical group comprising:

## **Eczacıbaşı Pharmaceuticals Manufacturing**

Turkey's largest producer of pharmaceuticals, also manufacturing veterinary and selected consumer products

## **Eczacıbaşı-Baxter Hospital Supply**

The leading supplier of parenteral solutions, renal and hospital supply products in the Turkish market

## **Eczacıbaşı Fine Chemical Products**

A modern producer of active pharmaceutical ingredients with state-of-the-art R&D facilities

## **Eczacıbaşı Pharmaceuticals Marketing**

Turkey's foremost pharmaceutical distributor

## **Eczacıbaşı Pharmaceuticals Trading**

A marketing and sales company cooperating exclusively with selected global partners

## **Eczacıbaşı-Corridor Health Services**

The first comprehensive home health care provider in Turkey

## **Eczacıbaşı Health Care Products-Moscow**

For more than a decade, distributing pharmaceuticals in Russia and neighboring countries

Since its inception almost six decades ago, the Eczacıbaşı Group has pursued its vision of a healthy future through pioneering investments in the Turkish pharmaceutical industry. Today, the Eczacıbaşı Pharmaceuticals Division is the largest pharmaceutical and parenteral solution producer in Turkey and ranks first in unit pharmaceutical sales. In these and other activities, the Division cooperates with 39 international companies, including seven of the world's top ten pharmaceutical producers.

**"The one invariable objective of the Eczacıbaşı Group is that it always possesses the most advanced technology available worldwide."**

Dr. Nejat F. Eczacıbaşı





## RESPONSIBLE LEADERSHIP

Starting with a vitamin laboratory in 1942, the Eczacıbaşı Pharmaceuticals Division has today become an integrated pharmaceutical-based health group comprising:

- Turkey's largest pharmaceutical plant in terms of both capacity and range of output,
- A manufacturing joint venture with Baxter International controlling the national market for parenteral and renal solutions,
- An active ingredient plant engaging actively in research and development,
- Three marketing and sales companies, and
- Since 2000, a joint venture with The Corridor Group to provide comprehensive home health care services.

As the first Turkish manufacturer of pharmaceuticals, Eczacıbaşı has shaped the development of the national pharmaceutical industry through its unwavering commitment to supplying medicines and health services of the highest international standard. Today, it is seeking to extend this pledge to consumers worldwide as it expands its exports and develops new partnerships with global pharmaceutical companies.



## REPOSITIONING FOR SALES GROWTH IN A CHALLENGING DOMESTIC ENVIRONMENT

Advertising of prescription drugs is prohibited in Turkey and efforts to allow advertising of OTC drugs have not yet led to changes in the law. Effective marketing to doctors and pharmacists is thus essential to raising sales. Eczacıbaşı's Pharmaceuticals Division draws its strength from combining all of the factors necessary for effective product communication and distribution. With close to 60 years in the sector, it has built up probably the largest and most experienced marketing team in the country.

This team served the Eczacıbaşı Pharmaceuticals Division well in 2001, as it reinforced its leadership position in the national market while accelerating activities aimed at expanding its pharmaceutical exports to major international markets. Even with these achievements, however, it was unable to prevent a 14.4 percent drop in the US dollar value of its net sales revenues and a \$27.7 million pre-tax loss for the year as a whole.

2001 was an extraordinarily difficult year for companies operating primarily in the national market and particularly so for pharmaceutical companies. Last year, while unit pharmaceutical sales dropped an estimated 2.5 percent, national pharmaceutical producers faced a steep rise in the cost of imported pharmaceutical inputs. This was caused by the sharp devaluation of the Turkish lira, which led to an 86.5 percent increase in the price of the US dollar during the first half of the year alone and a 115.3 percent increase for the year as a whole. Over the same period, in an effort to reduce the impact of higher prices on consumers and the budget of state health institutions, the Ministry of Health held increases in ex-factory sales prices well below rising import costs. Last year, generally in three-month increments, the Ministry granted national producers a cumulative price increase of 85 percent.

The combined effect of these developments on the industry's performance was compounded by an abrupt increase in financial costs deriving from the need to finance an average sales term longer than five months. These financial costs, which primarily represented foreign exchange losses on hard currency bank loans, further contributed to the pharmaceutical industry's average net loss of 25 percent in 2001, according to the Turkish Pharmaceutical Manufacturers' Association.

In this environment, the Eczacıbaşı Pharmaceuticals Division implemented a series of measures aimed at strengthening its sales and share of the national pharmaceutical market. It fundamentally reorganized the sales structure of Eczacıbaşı Pharmaceuticals Marketing, the Division's flagship marketing and distribution company in the domestic market, placing renewed focus on performance criteria for regional sales operations. It established an executive committee to enhance cooperation between Division companies on shared marketing and sales problems. Finally, it stepped up activities related to new product development, cutting by half the time and resources needed to launch new products in the market.

These and other measures enabled the Division to increase its leading share in the national pharmaceutical market and facilitated the launch of 30 new products, 12 of these being manufactured by its dosage-form pharmaceutical producer, Eczacıbaşı Pharmaceuticals Manufacturing.





## ESTABLISHING A Foothold in Rigorous World Markets

A long-time supplier of pharmaceuticals to neighboring countries, the Eczacıbaşı Pharmaceuticals Division has turned its focus to expanding its export presence in major international pharmaceutical markets.

One of its primary target export markets is Europe, where the Division is developing strategic cooperation agreements with regional generic drug companies for the registration and marketing of selected Eczacıbaşı-branded generics. Efforts to enter these highly complex markets have been underpinned by current Good Manufacturing Practices (cGMP) approvals from Europe's most stringent public institutions – the Medicines Control Agency (MCA) of the UK and the German Ministry of Health's inspection agency, Bundesinstitut für Arzneimittel und Medizinprodukte (BfArM).

Last year, the Division also strengthened its access to several new target markets, including Mexico, where its strategic partner is Baxter International, a long-time partner of the Division in Turkey.

As a result of these efforts, the Eczacıbaşı Pharmaceuticals Division is expecting to increase its export revenues three-fold in 2002 with sales to 28 countries around the world.

### Financial Highlights\*

\$ Million

	1999	2000	2001
Net Sales	497.3	496.1	369.0
Exports	3.2	10.9	8.9
Investments	19.4	19.2	16.4
Pre-Tax Earnings	15.4	20.0	-27.7

\*Combined results of Group companies excluding marketing subsidiaries incorporated abroad

## TEAMING UP WITH World Leaders

Currently, the Eczacıbaşı Pharmaceuticals Division has cooperation agreements with 39 international pharmaceutical companies, many of which date back to the commissioning of the Division's first plant in 1952. This record reflects Eczacıbaşı's international vision, management culture and its commitment to maximizing partner value.

From the outset, the Division has sought to develop mutually beneficial arrangements with the foremost international companies in its sector in the areas of licensing, manufacturing, and marketing and distribution. These arrangements have enabled international companies to maximize the return on their research and development through use of the Division's manufacturing expertise and state-of-the-art facilities, its wide distribution reach and excellent reputation in the Turkish market.

Today, Eczacıbaşı is manufacturing pharmaceuticals for 11 global companies, marketing products for another nine and providing logistical services to four others.

Additionally, the Division has two joint ventures with international partners. These are Eczacıbaşı-Baxter Hospital Supply, the leading manufacturer of large volume parenteral and peritoneal dialysis solutions in Turkey, and Eczacıbaşı-Corridor Health Services, the first provider of comprehensive home health care services in the national market and The Corridor Group's first investment outside of the US.

Further development of these kinds of mutually beneficial relationships is a priority for the Eczacıbaşı Pharmaceuticals Division.

## INITIATIVES THAT MAKE A DIFFERENCE

Eczacıbaşı-Corridor Health Services, the Division's first company in the health care sector, exemplifies the Division's ability and desire to transfer its expertise to other areas of the health sector where it can significantly improve the scope and quality of services available.

As the first company focusing solely on the provision of home health care services, Eczacıbaşı-Corridor is setting high standards for future competitors which will ensure that consumers in this market enjoy the highest quality services available worldwide. This is the pioneering tradition of the Eczacıbaşı Group.



## ECZACIBAŞI PHARMACEUTICALS MANUFACTURING

Eczacıbaşı Pharmaceuticals Manufacturing, the Division's finished pharmaceutical producer and a publicly traded company, is the largest in Turkey in terms of both capacity and range of output, with a combined capacity of 200 million dosage-form units per year. In addition to pharmaceuticals, the plant manufactures selected consumer goods for Group companies, including hand creams, deodorants and insecticides.

Eczacıbaşı's modern pharmaceutical complex, covering an area of 60,000 square meters, is recognized internationally for its advanced technology, high production quality and strict control processes. Located 150 km from Istanbul in a pollution-free environment, the complex has long been certified as operating in full accordance with both cGMP (current Good Manufacturing Practices) and cGLP (current Good Laboratory Practices) standards.

**Eczacıbaşı is committed to maintaining a production environment that meets or exceeds the standards of the world's foremost pharmaceutical plants.**

Thirteen global companies audited and approved Eczacıbaşı's pharmaceutical complex and operations in 2001. One of these was Procter&Gamble, which awarded Eczacıbaşı Pharmaceuticals Manufacturing its highest quality award for product suppliers, the "100 Percent Quality Assurance Management" certificate.

Other auditors in 2001 included the German and Mexican health ministries, BVQI and the Turkish Standards Institute, the latter two approving the renewal of Eczacıbaşı Pharmaceuticals Manufacturing's ISO 9001 and ISO 14001 certification.

This successful certification process is the direct result of the Company's long-standing focus on incorporating the latest technology in its production processes. In the mid-1980s, when Eczacıbaşı Pharmaceuticals Manufacturing was developing the design of its current pharmaceutical complex, it included separate production units for cephalosporin and penicillin in anticipation of regulations that were implemented in the mid-1990s. Control and reporting systems in the complex cover every stage of the production process, as do quality assurance checks, which begin with the quality and weight of raw materials received

by the warehouse through to the dispatch of finished products. Eczacıbaşı's warehouse is one of the few in Turkey with automatic measurement, classification and storage systems.

**A long-standing focus on quality assurance and technology underpins Eczacıbaşı's export drive in major international pharmaceutical markets.**

In recent years, Eczacıbaşı Pharmaceuticals Manufacturing has sought to extend its export reach from neighboring regions to such far-away markets as South Africa, New Zealand, Vietnam and Mexico. At the same time, it has accelerated activities aimed at gaining access to the rigorous pharmaceutical markets of the European Union.

Here, Eczacıbaşı Pharmaceuticals Manufacturing has developed cooperation agreements with a number of companies, including Hexal and Fresenius of Germany, to market selected Eczacıbaşı-branded generics in European markets. Critically important to this process, Eczacıbaşı has applied for and received MCA approval of its sterile injectable powder unit and BfArM approval of its units for solid preparations, penicillin and cephalosporin preparations, and sterile ampoule and vials.

As a result of these efforts, Eczacıbaşı is now exporting to Spain, Germany, the UK and, since 2001, to Austria, Denmark, France and the Netherlands. First-year exports of two drugs to European Union countries, just under \$3.0 million in 2001, are set to triple in 2002.

Eczacıbaşı Pharmaceuticals Manufacturing has also stepped up export activities in regional markets where it has long had a presence. In 2001, it revitalized marketing activities in the Russian Federation, establishing new cooperation agreements with several leading pharmaceutical production and distribution companies in the region. Under the strict supervision of the United Nations, it also continued to supply pharmaceuticals to Iraq through the "Oil for Food and Medicines" program.

**Manufacturing excellence has led to increasing cooperation with global pharmaceutical companies.**

Over the last decade, a growing number of global pharmaceutical companies have chosen to establish a direct presence in the Turkish market using the manufacturing capacity of local producers. Eczacıbaşı Pharmaceuticals Manufacturing has responded to this by

offering contract manufacturing services to these and other international companies wishing to use Turkey as a manufacturing base for selected export markets. As of end-2001, eleven international companies had manufacturing agreements with Eczacıbaşı Pharmaceuticals Manufacturing, including AstraZeneca, Johnson&Johnson, Sanofi-Synthelabo, Schering-Plough and Solvay.

This figure is set to grow. In 2001, Abbott signed a five-year agreement with Eczacıbaşı Pharmaceuticals Manufacturing for the production of an injectable antibiotic for export to countries around the world.

Eczacıbaşı Pharmaceuticals Manufacturing was opened to the public in 1990. Currently, 22.74 percent of its stock is trading on the Istanbul Stock Exchange.





## ECZACIBAŞI-BAXTER HOSPITAL SUPPLY

Eczacıbaşı-Baxter Hospital Supply, the Division's 50:50 manufacturing joint venture with Baxter International, leads Turkey's large volume parenteral and peritoneal dialysis markets with respective shares of 75 and 88 percent in 2001. Eczacıbaşı-Baxter also imports and markets a wide range of hospital supplies, plasma derivatives and blood-handling products from Baxter International and, since 2000, disposable hospital supplies from Willy Rüşch AG. Eczacıbaşı-Baxter is the exclusive distributor of Willy Rüşch's urology, endourology, surgery and anesthesia products in Turkey.

With an annual capacity of 70 million units, Eczacıbaşı-Baxter produces 130 varieties of high-quality parenteral solutions, amino acids and specialty solutions as well as two types of peritoneal dialysis solutions (PD1 and PD4) in a variety of single and twin bags. In addition to solutions, the plant can produce up to 36 million infusion and transfusion sets and catheters.

**Eczacıbaşı-Baxter Hospital Supply is committed to improving continually the standard of life for people in Turkey with chronic kidney disorders.**

One aspect of this has been the continual introduction of new peritoneal dialysis technologies. In 2001, for example, Eczacıbaşı-Baxter launched HomeChoice Pro and PD Link, an automated peritoneal dialysis cyclor that stores the results of patients' home dialysis treatments in electronic format for fast and easy communication with hospitals and dialysis centers. This system greatly enhances doctors' ability to monitor and adjust patients' home dialysis treatment.

Eczacıbaşı-Baxter is also active in advancing local expertise in the treatment of chronic kidney disorders. To this end, it sponsors regular conferences, seminars and in-hospital training for patients, patients' families and health workers throughout the country. It has established a dialysis education and information center in Istanbul, the second such center of its kind in the world. It also has a 24-hour call center and a home delivery service for solutions and ancillaries that reaches 93 percent of all peritoneal dialysis patients in Turkey. These kinds of measures have contributed to stabilizing Turkey's peritoneal infection rate at the world standard of an average of once every 25 months.

**Eczacıbaşı's strong relationship with Baxter International, dating back to a licensing agreement in the 1950s for parenteral solutions, is based on trust and shared vision.**

Transformed into a full joint venture partnership with Baxter International in 1994, this partnership reflects the importance that both partners place on ensuring the best possible product for the people they serve, many of which have life-threatening illnesses. Eczacıbaşı-Baxter's modern complex in Istanbul operates to the highest international standards, backed by advanced production technology and one of the largest quality assurance teams in the sector. This team oversees a thorough quality control system that ranges from manual testing at the plant's fully equipped laboratory to automatic controls of 'clean room' production environments and world class standards in critical systems automation of air, steam and water for injection.





## ECZACIBAŞI FINE CHEMICAL PRODUCTS

Eczacıbaşı Fine Chemical Products was established in 1991 to manufacture high-quality active pharmaceutical ingredients for Eczacıbaşı Pharmaceutical Division companies. In recent years, it has expanded its scope of activity to include the contract manufacture of selected products for export and the research and development of new active pharmaceutical ingredient processes.



In July 2001, Eczacıbaşı Fine Chemical Products initiated operations at its new complex in Çerkezköy, 120 kilometers west of Istanbul. This modern complex is designed with a flexible production capacity that enables it to produce both small and commercial-scale batches. The complex has a start-up reactor capacity exceeding 30,000 liters and a pilot production line to facilitate the development and scale-up of processes. It also has separate drying, milling and packaging rooms with filtered air-handling systems and pressurized corridors to prevent cross-contamination.

For beta-lactam products, Eczacıbaşı Fine Chemical Products has constructed an independent facility with separate penicillin and cephalosporin units. This facility will have a combined reactor capacity of 60,000 liters when it starts full operations in the summer of 2002.

**Eczacıbaşı Fine Chemical Products is unique in Turkey for its focus on scientific research and cooperation with national universities.**

Eczacıbaşı Fine Chemical Products has a fully equipped research and development center that collaborates with distinguished scientists from Turkey and abroad in the development of new synthetic chemical processes. Among other research, the center is currently working on the process development of anti-infectives (including beta-lactamase inhibitors), anti-hyperlipidemics, anti-hypertensives and hypoglycemics. These efforts resulted in two patent applications in Turkey for new lower-cost synthetic routes in 2001 and preparations for several more in 2002.

Under the coordination of its quality assurance department, Eczacıbaşı Fine Chemical Products operates in full compliance with cGMP (current Good Manufacturing Practices) adopted from ICH regulations. It strictly implements SOPs (Standard Operating Procedures) and prepares DMFs (Drug Master Files) according to European and other international regulatory bodies. Eczacıbaşı Fine Chemical Products also complies with ISO 9001 standards and is an active member of the Responsible Care Organization. Eczacıbaşı Fine Chemical Products is preparing to obtain a Certificate of Suitability from the US Food and Drug Administration within the next few years.

## **ECZACIBAŞI PHARMACEUTICALS MARKETING**

In an increasingly competitive market with 32 multinational and 149 national players at year-end 2001 according to Information Medical Statistics, the key local strength of the Eczacıbaşı Pharmaceuticals Division is its marketing and distribution operation. Eczacıbaşı Pharmaceuticals Marketing, the Division's chief marketing company in Turkey, handles the full range of pharmaceuticals and veterinary products manufactured by Eczacıbaşı Pharmaceuticals as well as selected finished products imported from Eczacıbaşı licensors.

With 61 therapeutic segments and more than 190 products, Eczacıbaşı Pharmaceuticals Marketing has the most extensive portfolio in the sector. It also has one of the most effective marketing structures. Its 500 sales representatives regularly visit 35,000 doctors and 7,000 of Turkey's 22,000 private pharmacies. These visits are coordinated with a comprehensive database of all detailed doctors in the country, enabling the Company to target new product detailing to doctors specializing in related therapeutic fields.

Eczacıbaşı Pharmaceuticals Marketing's sales staff, comprising university graduates in related fields, has earned the respect of its competitors for the scope of its knowledge on developments in the sector. This expertise is buttressed by a two-month mandatory course for new personnel and regular training programs led by physicians and sector experts.

**Eczacıbaşı Pharmaceuticals Marketing has maintained market leadership through creative marketing of existing products and the continual launch of new products.**

Eczacıbaşı Pharmaceuticals Marketing sold 70 million packaged pharmaceutical units to the national market in 2001, well ahead of its nearest competitor. One of the factors contributing to this achievement was its re-launch of best selling drugs in new packaging containing product information and instructions in the Braille alphabet. Additionally, Eczacıbaşı Pharmaceuticals Marketing launched 14 new pharmaceuticals in 2001.

These and other measures enabled Eczacıbaşı Pharmaceuticals Marketing to rank first in sales revenue growth among the 149 national companies in the sector

and fourth overall. As a result, Eczacıbaşı Pharmaceuticals Marketing raised its share in the national pharmaceutical market to 7.21 percent in 2001, the single largest share in the market according to Information Medical Statistics.

**Eczacıbaşı Pharmaceuticals Marketing's customer-focused approach has made it the partner of choice for international pharmaceutical companies seeking marketing, sales or distribution services in the Turkish market.**

In 2001, Eczacıbaşı Pharmaceuticals Marketing initiated distribution services for Solvay, raising to four the number of international companies to which it is providing these services. Its other partners in this area are AstraZeneca, Schering Plough and Johnson&Johnson. Additionally, Eczacıbaşı Pharmaceuticals Marketing is providing full marketing and sales services to Pharmacia.

In each of these arrangements, Eczacıbaşı Pharmaceuticals Marketing is careful to avoid any conflict of interest in its efforts to provide the best possible services for each partner. Its strong record in this area has been a key factor behind the growing demand for these services, which Eczacıbaşı Pharmaceuticals Marketing aims to continue expanding in the coming years.

## ECZACIBAŞI PHARMACEUTICALS TRADING

Eczacıbaşı Pharmaceuticals Trading, the Division's second marketing company in the Turkish market, provides distribution services exclusively for international health companies.

Eczacıbaşı Pharmaceuticals Trading is the new corporate name of Eczacıbaşı-Rhône Poulenc, the Division's former 50:50 joint venture with Rhône Poulenc Rorer. In April 2001, following the merger of Hoechst Marion Roussel and Rhône Poulenc Rorer in Aventis Pharma, Eczacıbaşı purchased most of the shares of its former partner. With this purchase, Eczacıbaşı raised its stake in the company to 95 percent but maintained its cooperation with this partner of more than 40 years.

Eczacıbaşı Pharmaceuticals Trading is currently the registration holder and distributor of 15 Aventis Pharma products, including the most commonly prescribed treatments for infections, asthma, sleep disorders and rheumatism. Most of these products are manufactured by Eczacıbaşı Pharmaceuticals Manufacturing and marketed by Eczacıbaşı Pharmaceuticals Marketing. Eczacıbaşı Pharmaceuticals Trading also imports and distributes Pfizer-Mack leukemia products.



## ECZACIBAŞI-CORRIDOR HEALTH SERVICES

Eczacıbaşı-Corridor Health Services, the Division's youngest company, is the first comprehensive home health care provider in Turkey. Established in late 2000, Eczacıbaşı-Corridor Health Services is a 50:50 joint venture with The Corridor Group, a leading US consultant on home care, hospice care and alternate site health care solutions.

The primary aims of Eczacıbaşı-Corridor are to enhance the quality of life of patients requiring regular or post-operative/post-discharge health services and to reduce the economic burden of these services on both patients and the health care system. To achieve this, Eczacıbaşı-Corridor has developed a home health care system that works closely with all parties involved in patients' treatment, including doctors, hospitals and insurance companies.

Already, Eczacıbaşı-Corridor is providing the full range of home care services, as well as medical equipment and supplies required for home treatment and routine doctor and specialist visits. Home care services include nursing care; doctor, therapist and dietician visits; health aid support services; and care planning and coordination. Eczacıbaşı-Corridor also offers integrated special care programs for new mothers and babies, patients with cardiovascular disease, and patients with diabetes or hypertension.

**In line with the Eczacıbaşı tradition, Eczacıbaşı-Corridor Health Services has taken up the challenge of pioneering an entirely new market.**

As the first entrant in the Turkish home health care market, Eczacıbaşı-Corridor has had to develop the legal framework and infrastructure for these services. In its first year of operations, Eczacıbaşı-Corridor single-handedly drew up the standards for home health care services as well as the regulations for receiving and discharging patients. Additionally, it established the framework for health insurance coverage of these services, signing the first agreements of this kind in the Turkish health sector with insurance companies. To develop market awareness of and demand for these services, Eczacıbaşı-Corridor visited over 1000 leading doctors and nurses and 60 hospitals and health institutions in 2001.

All of these measures are building the basis for a home health care market of international standard in Turkey. During this process, Eczacıbaşı-Corridor Health Services aims to solidify its position as the foremost provider of home health care services in Turkey.



# ECZACIBAŞI BUILDING MATERIALS DIVISION

Twelve companies focusing primarily on the manufacture, marketing and distribution of premium bathroom, kitchen and tiling products and related materials in national and export markets

In Turkey, these comprise five manufacturing operations:

## **Eczacıbaşı Building Materials Manufacturing**

Turkey's leading manufacturer and exporter of ceramic sanitary ware and sanitary fittings

## **Eczacıbaşı Ceramic Tiles Manufacturing**

A world-class tile producer exporting to major European markets

## **Eczacıbaşı Bathroom and Kitchen Products**

The top supplier of acrylic bathtubs and high quality kitchen and bathroom cabinets to the national market and an increasingly important exporter

## **ESAN Eczacıbaşı Industrial Raw Materials**

One of Europe's largest floated feldspar producers

## **Eczacıbaşı-Koramic Building Chemicals Manufacturing**

A joint venture producing high quality tile adhesives, grouts and leveling compounds

And two marketing companies:

## **Intema Building Materials Marketing and Sales**

The Division's flagship marketing and distribution company in the national market

## **Doğa Minerals Trading**

Representing some 50 companies in the marketing and trade of industrial minerals and other industrial inputs







*"Those who do not have the fire of art burning  
in their hearts cannot be creative."*

Dr. Nejat F. Eczacıbaşı

Abroad, the Division has one manufacturing operation and four marketing and trade companies:

**Vitra Tiles (Ireland) Ltd.**

Ireland's only ceramic tile plant, primarily serving the Irish and UK markets

**EKOM Sanitaermarketing GmbH (Germany)**

Providing marketing and sales services for the Division in Germany and other Central European countries

**Vitra (UK) Ltd.**

Providing marketing and sales services for the Division in the UK and Ireland

**Vitra USA Inc.**

Providing marketing and sales services for the Division in the United States and Canada

**Eczacıbaşı Building Materials Joint Stock Company (Russia)**

Providing marketing and sales services for the Division in Russia and other CIS countries

Starting with the establishment of its first ceramic sanitary ware plant in 1958, the Eczacıbaşı Group has sought to design and manufacture building material products that significantly enhance the quality of life of their users. It has done this by pacing itself with the best offered worldwide and continually improving the design and functional standards of its products. As a result, the Building Materials Division today is well established as the foremost supplier of prestige bathroom, kitchen and tiling products in Turkey and is steadily building share in major international markets under its two main brands, Vitra and Artema.

## A PRESTIGE SUPPLIER OF MODERN LIVING SPACES

The Building Materials Division is the leading supplier of high quality bathroom, kitchen and tiling materials in the Turkish market and the Eczacıbaşı Group's largest exporter. Its seven companies in Turkey and five abroad offer an integrated range that includes:

- One of the world's largest ceramic sanitary ware plants under one roof,
- State-of-the art operations producing sanitary fittings, ceramic tiles, acrylic bath and shower units, and kitchen and bathroom cabinets,
- A joint venture with Koramic of Belgium manufacturing high-quality grouts, adhesives and leveling compounds,
- Turkey's largest producer of refined clay and floated feldspar, and
- The leading national distributor of bathroom and kitchen products.

Carrying the Eczacıbaşı Group flag of continued advancement in not only meeting, but raising market expectations, the Building Materials Division has refined and redefined the kitchen and bathroom markets in Turkey for over half a century.

### Financial Highlights\*

\$ Million

	1999	2000	2001
Net Sales	353.3	382.2	325.7
Exports	121.9	124.6	136.7
Investments	27.9	24.8	12.6
Pre-Tax Earnings	7.8	16.5	17.1

\*Combined results of Group companies excluding marketing subsidiaries incorporated abroad

## STANDARD-BEARER OF ECZACIBAŞI QUALITY IN WORLD MARKETS

The Building Materials Division's unwavering commitment to quality, innovation and unconditional customer satisfaction, its hallmark in the national market, has underpinned its steady expansion in competitive international markets and earned its two main brands, Vitra and Artema, global recognition for uniting best-of-class quality and exquisite design.

Today, the Division exports to more than 70 countries around the world, with the European Union and North America accounting for more than 75 percent of its total export sales. In these activities, it is supported by four overseas marketing subsidiaries and a large number of cooperation agreements with regional distributors and retailers. This infrastructure, and growing international recognition of the Vitra brand, has enabled the Division to acquire and retain a 12 percent share of the German ceramic sanitary ware market, by far the largest and most demanding in Europe. The Division is also building brand name in highly competitive markets like France and Italy as well as in the US, where it has strengthened its marketing and sales organization.

Drawing strength from this export base, the Building Materials Division raised its export revenues by 9.7 percent to \$136.7 million in 2001, an amount representing 42 percent of the Division's overall revenues and close to 60% of its manufacturing revenues. This increase was the key factor behind the Division's strong performance in pre-tax earnings, which rose 3.6 percent to \$17.1 million in 2001, despite a 26.7 percent drop in sales revenues from the national market.

Only just recovering from the impact of the 1999 earthquakes, Turkey's construction sector was hit hard by the deep contraction in economic activity and sharp rise in interest rates caused by the financial shock of February 2001. Building construction, as measured by new building permits for residential units, contracted 12 percent in 2001 according to the State Institute of Statistics, while renovation demand, accounting for roughly one quarter of the market, shrank 30 percent according to industry estimates.

In this narrowing national market, exacerbated further by consumer flight to low-quality commodity products, virtually all Building Material Division companies maintained or increased their shares in the premium and renovation segments.



## RE-SETTING THE BAR FOR CONTINUED LEADERSHIP IN TURKEY

Eczacıbaşı's Building Materials Division has always been the pioneer in bringing technological innovations to the service of Turkish consumers, a tradition that has earned it unrivalled leadership at the high-end of the national market. Recent examples of "firsts" in Turkey include water-saving reservoirs, lightweight porcelain tiles for building exteriors, and, since 2001, an anti-bacterial surface option for wash basins, toilet bowls, toilet seats, tiles and acrylic bathtubs and shower trays. With the last innovation, the Division is entering the league of pioneers worldwide, being the second globally to offer this hygiene-enhancing technology to its customers.

Backed by a team of skilled engineers and talented designers using CAD-CAM technology, the Building Materials Division has also led the sector in design and product development. From tiles to bathtubs, the Division carries the most extensive choice range for differing tastes and lifestyles as well as a wide array of accessories to ensure completeness.

Underpinning this creative capacity is the Division's unwavering focus on serving its consumers, a commitment that was underlined yet again in 2001. Last year, the Ministry of Industry and Trade presented Intema, the Division's national marketing and sales company, the "Consumer Satisfaction Award" for its success in internalizing this principle and going far beyond the legal requirements in its efforts to inform and protect its customers.

Intema's mission is to ensure that the Division's customers receive the full range and high quality services entitled by consumers of a prestige brand. To achieve this, it has developed a comprehensive range of services that includes design and installation as well as authorized servicing stations throughout the country. It also has one of the largest distribution networks in the sector, with 79 exclusive and 45 brand-loyalty dealerships as well as 700 retail outlets.

## ASPIRATIONS AT HOME BRING RECOGNITION ABROAD

Eczacıbaşı's principle of not accepting mediocrity as an option is fully absorbed by all levels of the Division's workforce and has demonstrated its power over and over again. In 2001, Eczacıbaşı Bathtubs Manufacturing received the highest national distinction for quality, the National Quality Award. Three Division companies have received this commendation over the last three years, including Eczacıbaşı-Vitra, the winner of the 2000 European Quality Prize. These distinctions have won recognition from the Division's rivals in major international markets and contributed to the growing prestige of the Vitra and Artema brands abroad.



## ECZACIBAŞI BUILDING MATERIALS MANUFACTURING

Eczacıbaşı Building Materials Manufacturing, the Eczacıbaşı Group's leading exporter and the largest company in the Building Materials Division, was established in 1986 with the merger of two Group companies. It comprises two production groups: Eczacıbaşı-Vitra Ceramic Sanitary Ware, Turkey's largest manufacturer and exporter of ceramic sanitary ware, and Eczacıbaşı-Artema Sanitary Fittings, the country's second largest producer of taps, shower fittings and other sanitary fixtures. Since its listing in 1995, 29 percent of the Company's shares are trading on the Istanbul Stock Exchange.

Eczacıbaşı Building Materials Manufacturing is a world-class enterprise, with exports accounting for 70 percent of its sales. Roughly 80 percent of these are to the highly competitive European Union and US markets, where the Company is challenging well-entrenched names with its flagship ceramic sanitary ware and sanitary fittings brands, Vitra and Artema.

Today, Eczacıbaşı-Vitra holds a 12 percent share of the German ceramic sanitary ware market, the largest ceramic sanitary ware market in Europe, and a 5 percent share in the UK. In Turkey, Vitra and Artema command almost 30 percent of their respective markets and 45 percent of their premium segments.

### VITRA CERAMIC SANITARY WARE

Eczacıbaşı-Vitra manufactures ceramic toilet bowls, reservoirs, wash basins, basin stands, bidets, urinals, kitchen sinks, shower stalls and a variety of ceramic accessories. It also produces toilet seats, built-in reservoirs, flushing systems, hand bars and seats for the elderly and disabled, as well as complementary products for bathroom sets.

With a combined capacity of 3.5 million large pieces at its two plants in Turkey, Kartal and Bozüyük, Eczacıbaşı-Vitra accounts for 40 percent of Turkey's ceramic sanitary ware production. By itself, Bozüyük ranks among the world's top three plants worldwide in terms of capacity and product variety. Together, the two plants combine the best in advanced ceramic sanitary ware technology with a flexible

production scale that allows Eczacıbaşı-Vitra to maintain an active portfolio exceeding 500 products. Supported by a team of designers, this capacity enabled Eczacıbaşı-Vitra to launch 85 new products in 2001 alone.

### **Eczacıbaşı-Vitra is the national leader in customer-focused innovation and consistently high quality.**

In its mission to raise continually the standards for modern bathrooms, Eczacıbaşı-Vitra has led the national industry in innovative technologies and designs that improve or enhance lifestyles. One example of this in 2001 was the launch of VitraHygiene, an environment-friendly surface technology that kills bacteria. Eczacıbaşı-Vitra is the second ceramic ware manufacturer worldwide to offer this technical feature. Other firsts in Turkey have included bathroom sets for children and the physically challenged, water-saving reservoirs and low-maintenance sinks.

Eczacıbaşı-Vitra has an equally strong reputation for high quality. This is buttressed by a long-standing commitment to business excellence that earned it the highest national quality prize in 1998, the TÜSİAD-KalDer Quality Award, and the prestigious European Quality Prize in 2000. It is the first ceramic sanitary ware producer in both Turkey and Europe to receive these commendations.

### **Once a marginal rival, Eczacıbaşı-Vitra is increasingly challenging the strongest international brands.**

Eczacıbaşı-Vitra initiated its export drive in the late 1980s. Today, it exports over 70 percent of its output to 51 countries, with its top three destinations being Germany, the UK, and, most recently, the US.

One of Eczacıbaşı-Vitra's main priorities in the coming years is to establish a strong foothold in the large and highly competitive US market. In 2001, it took a major step towards achieving this goal with the establishment of a wholesaler network that has expanded its reach to distributors and retailers from New England to California.

Eczacıbaşı-Vitra is also strengthening further its position in European markets. In 2001, Eczacıbaşı-Vitra became the leading international supplier of ceramic sanitary ware to Scandinavian markets, with the activation of a large warehousing operation in Denmark. In France, it established new agreements with large customers and wholesaler groups that led to a 48 percent increase in



export sales to this country. New cooperation agreements in Italy enabled it to augment its share in this design-driven market to 2 percent.

Eczacıbaşı-Vitra is increasing its marketing activity in Asian and Pacific markets as well. Already the best known international building material brand in the Israeli market, it has signed agreements with large-scale distributors in Algeria and Tunisia. Further east, it has completed preparations for establishing sales networks in India and China.

Eczacıbaşı-Vitra's primary strategy is to build global recognition of the Vitra brand. At the same time, it is augmenting export growth through manufacturing agreements with leading international companies. In 2001, Eczacıbaşı-Vitra became the exclusive supplier globally of ceramic sanitary ware to IKEA, the world's largest DIY hypermarket chain. In its selection of Eczacıbaşı-Vitra, IKEA was particularly impressed by Eczacıbaşı-Vitra's strong corporate commitment to social and environmental responsibility – a central element of Eczacıbaşı-Vitra's drive for business excellence.

Eczacıbaşı-Vitra was the first ceramic sanitary ware producer in Turkey to be certified as operating to ISO 9001 and ISO 14001 standards as well as to the standards of major European Union and North American markets. It was also the first to receive the prestigious quality certificate of the Ceramic Industry Certification Scheme.

## **ARTEMA SANITARY FITTINGS**

Eczacıbaşı-Artema is the leading supplier of single lever mixers to the Turkish market and the second largest sanitary fittings producer overall, with a combined annual capacity of 5 million chrome-plated, color-finished and brass faucet batteries at its modern plant in Bozüyük. Apart from sanitary fittings for bathrooms and kitchens, Eczacıbaşı-Artema manufactures bathroom accessories at a second plant in Tuzla.

Like Eczacıbaşı-Vitra, Eczacıbaşı-Artema dominates the premium segment of the national market with its flagship brand, Artema. It has built this leadership through its focus on design and innovative technical features, best exemplified, in 2001, by the launch of a minimalist series of fittings and accessories for design-conscious consumers and an energy and water-saving series for hotels,

restaurants, hospitals and other large commercial establishments. In 2002, Eczacıbaşı-Artema is launching Turkey's first chrommax-plated faucets with lifelong guarantees, an innovation made possible by the completion of a new physical vapor deposition unit at its Bozüyük plant in late 2001.

Since 1995, Eczacıbaşı-Artema has also focused on increasing its export sales. From 16 markets in 1996, Eczacıbaşı-Artema now exports to 36, including Germany, Sweden, the UK, Italy, Poland, Israel and Australia. Correspondingly, export sales have risen from 35.8 percent of Eczacıbaşı-Artema's total sales in 1996 to 64 percent in 2001.

## **Eczacıbaşı-Artema's rapid export growth reflects the excellent reputation it has earned among its international customers.**

In 2001, 40 of the 69 large customers to which Eczacıbaşı-Artema supplied fixtures and components were four-year clients. Eczacıbaşı-Artema's longest and single largest business agreement is with Moen Inc., the leading supplier of faucets to the US market. Since 2000, Artema has also been a preferred supplier of IKEA, which increased its orders from two product categories to 30 in 2001 and presented Eczacıbaşı-Artema the second prize in its annual IKEA Most Successful Supplier awards.

These achievements reflect Eczacıbaşı-Artema's strong in-house design capability, its flexible production capacity and its long focus on quality, which earned it, in 2000, the national TÜSİAD-KalDer Quality Prize.

Eczacıbaşı-Artema was the first sanitary fittings producer in Turkey to receive ISO 9001 certification and is the only one having environmental management systems that are certified as meeting ISO 14001 guidelines. Eczacıbaşı-Artema produces to EN 200 European standards and has product certifications in 10 major markets, including Australia, Denmark, Finland, Germany, Holland, Hong Kong, Israel, Norway, Russia and Sweden.



## ECZACIBAŞI CERAMIC TILES

Eczacıbaşı Ceramic Tiles, the Division's tile producer, is Turkey's leading supplier of premium wall and floor tiles and a major tile exporter.

Eczacıbaşı Ceramic Tiles' two plants in Bozüyük and Tuzla have a combined tile capacity of 15.5 million square meters that is as capable of supplying customized, single-batch orders as it is of mass-producing high quality tiles. Directing this capacity is a team of in-house designers, equipped with computer-aided design and manufacturing technology and supported by international design consultants.

This flexible production facility has enabled Eczacıbaşı Ceramic Tiles to develop and maintain the widest range of products in its sector – more than 200 series and 3000 varieties – and to launch on average 40 to 50 new series per year to exacting EN standards.

Eczacıbaşı Ceramic Tiles manufactures wall and floor tiles for home interiors and exteriors, as well as for commercial and industrial establishments. Many of these are special-use tiles, such as pool tiles, anti-slip floor tiles and tiles for building exteriors, as well as durable, high quality alternatives to natural marble, granite and terra cotta. The Arkitekt wall and floor series, designed for professionals

seeking the full range of tile sizes in the RAL color scheme, and the Porcelain Function series for industrial and commercial use are the first and only series of their kind in Turkey. Unique also is Company's wide array of tile sizes, which range from 2.5x2.5 to 60x60.

These kind of innovative products, offering high quality for value, have underpinned Eczacıbaşı Ceramic Tiles' strong position in the professional market. Among residential consumers, Eczacıbaşı Ceramic Tiles is best known for its singular designs, which include collections prepared by the renowned Turkish designer, Defne Koz, children's series and original patented designs reflecting Turkey's rich tradition in ceramic ware and textiles. Here again, Eczacıbaşı Ceramic Tiles is strongest in the high-end, design and feature-conscious segment.

**Already the Division's second largest exporter, Eczacıbaşı Ceramic Tiles is preparing to expand significantly its export sales over the next half decade.**

In 2001, its tenth year of operations, Eczacıbaşı Ceramic Tiles exported over half of its output to more than 55 countries worldwide, including Germany, the US and the UK. Its goal is to reach an export ratio of 70 percent by 2005 while steadily increasing its production capacity.

It has laid the foundations for achieving this. In European markets, Eczacıbaşı Ceramic Tiles is working with its sister company in Ireland, Vitra Tiles, and its marketing subsidiary in Germany, Ekom GmbH. By coordinating export production with Vitra Tiles in Ireland, Eczacıbaşı Ceramic Tiles is improving its delivery competitiveness vis-à-vis its main rivals in Spain and Italy. This has been especially effective in Germany, the Company's single largest export market.

In North America, its second largest export market, Eczacıbaşı Ceramic Tiles has reorganized its marketing and sales network, leading to a significant increase in sales under the Vitra brand name. A similar restructuring in Germany and the CIS is currently underway. In all these markets, the Company's primary aim is to win consumer brand recognition for its fusion of quality, innovation and art.







## VITRA TILES-IRELAND

Vitra Tiles-Ireland, the Division's second tile manufacturing company, is the Eczacıbaşı Group's first manufacturing investment abroad and Ireland's only ceramic tile plant. Founded initially in 1998 as a 50:50 joint venture with Qualceram PLC of Ireland, it is now a full subsidiary of the Eczacıbaşı Group.

Vitra Tiles' modern plant, located in Arklow, has an annual capacity of 1,000,000 m<sup>2</sup> wall and floor tiles that is already in full use. In 2001, over half of this output was exported to the UK, enabling Vitra Tiles to increase its share in the UK tile market.

Vitra Tiles' achievement reflects the strength of the Division's marketing and sales organization in the European Union. Here, it is cooperating closely with Eczacıbaşı Ceramic Tiles and the Division's overseas marketing companies to achieve the most competitive combination of tile products and delivery times to the UK and Continental European markets. Because of its relatively closer location, Vitra Tiles is also cooperating closely with Eczacıbaşı Ceramic Tiles in the export of tiles to the US, another target market.

In Ireland, Vitra Tiles' primary goal is to build on its unique position as the country's only tile producer to build raise consumer recognition of the Vitra brand. Vitra Tiles has two prestigious showrooms in Arklow and Dublin exhibiting the full range of building material products produced by the Division. It is also developing distribution networks with dealers and such large retailers as Atlantic Homecare, Ireland's largest DIY chain.



## ECZACIBAŞI BATHROOM AND KITCHEN PRODUCTS

Eczacıbaşı Bathroom and Kitchen Products was established in July 2001 with the merger of two Division companies: Eczacıbaşı Bathtubs Manufacturing and Eczacıbaşı Kitchen and Bathroom Furniture. The merger aims to create synergies that enhance the competitive edge of both operations.

**Eczacıbaşı Bathtubs** is the top supplier of high quality acrylic bathtubs and shower trays in the national market and a fast-growing exporter of these products. Its modern production facility on the outskirts of Istanbul has a versatile production capacity of 80,000 units, enabling it to manufacture a wide variety of models to customer specifications.

Since its establishment in 1991, Eczacıbaşı Bathtubs has played a leading role in introducing Turkish consumers to the hygienic benefits and wide range of designs offered by acrylic bath and shower units. This leadership, most recently exemplified by the launch of the anti-bacterial VitrAhygiene surface technology for bathtubs and shower trays in 2001, has enabled Eczacıbaşı Bathtubs to hold over 40 percent of the national market for these products.

High quality and a versatile production capacity have also enabled Eczacıbaşı Bathtubs to increase significantly its exports in recent years. In 2001, Eczacıbaşı Bathtubs exported over 40 percent of its production to more than 20 countries, with its main markets being Germany, the UK and Israel.

Eczacıbaşı Bathtubs currently produces 23 bathtub models in 32 sizes, most of which are designed to complement the Division's bathroom suites. It also manufactures eight models of shower trays, three shower systems with hydro-massage systems and a compact shower massage cabin with sauna, vertical hydro-massage and shower functions. All of these products are manufactured with ICI acrylic to EN 198 standards and marketed under the VitrA brand name.

This comprehensive production portfolio is underpinned by a company-wide commitment to quality that earned Eczacıbaşı Bathtubs the prestigious National Quality Award in the Small and Medium-Sized Business Category in 2001.

**Eczacıbaşı Kitchen and Bathroom Furniture** is Turkey's foremost manufacturer of high-quality kitchen and bathroom cabinets. It has an annual capacity of 100,000 modules, or about 7,000 sets, and is the only producer in Turkey to manufacture entirely on a customized order basis. For this, the Company has a team of professional architects who prepare cabinet designs to the specifications of households and large-scale residential and commercial projects.

Eczacıbaşı Kitchen and Bathroom Furniture primarily serves the upper-end of the national market. In recent years, it has also increased its share in the middle segments with several series that offer high value at competitive prices. These series have enabled Eczacıbaşı Furniture to expand its share in the overall national market, 90 percent of which is still supplied by local carpenters.

To further strengthen its market share, Eczacıbaşı Kitchen and Bathroom Furniture has prepared the groundwork for an authorized architect network, selecting 19 bureaus in 2001 as the starting base for this. In 2002, it will continue to expand this base and provide members with AutoCAD software and a web-based ordering system to shorten order and delivery times.

Eczacıbaşı Kitchen and Bathroom Furniture currently manufactures 8 kitchen cabinet series and 12 series of bathroom cabinets, including three modular series and nine series designed to complement the Division's bathroom suites.





## **ESAN ECZACIBAŞI INDUSTRIAL RAW MATERIALS**

ESAN Eczacıbaşı Industrial Raw Materials, the Division's producer of raw and semi-processed inputs mainly for the ceramic and glass industries, is the largest producer in Turkey of refined clay and floated feldspar. The Company operates about 30 mines, extracting an average 1,000,000 tons per year of top-quality clay, kaolin, feldspar and silica sand.

ESAN supplies about 60 percent of the raw material demand of the Division's ceramic sanitary ware and tile plants. An internationally competitive operation, it also exported more than 80 percent of its production to 27 countries in 2001. This export performance reflects the consistently high quality of the Company's raw materials and its ability to process these to the exacting specifications of international ceramic producers.

ESAN produces up to 18,000 tons of ground feldspar, 160,000 tons of floated feldspar and 20,000 tons of refined clay annually. In 2001, the Company opened a new sand processing plant with an annual capacity of 30,000 tons that is now developing products for the pipe and chemical industries. Three of ESAN's five processing plants are located at the Division's production compound in Bozüyük, one of Turkey's main ceramic ware centers. The other two are located in the Aegean region near the Company's mines.

## **ECZACIBAŞI-KORAMIC BUILDING CHEMICALS**

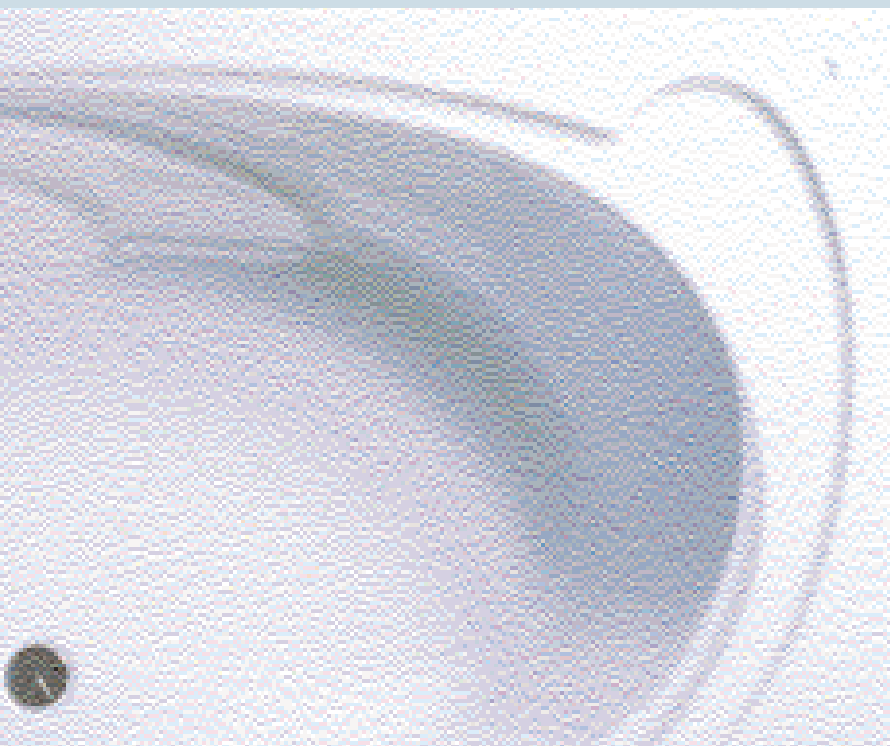
Eczacıbaşı-Koramic Building Chemicals, the Division's youngest company, was established in 1999 to manufacture high quality tile adhesives, grouts and leveling compounds for the Turkish and export markets. Its 50:50 joint venture partner in this mission is Koramic Building Products NV, a leading Belgian producer of building materials and chemicals.

The Company's plant, located at the Division's production compound in Bozüyük, has an annual capacity of 90,000 tons, the third largest in the sector. In product quality and variety, however, Eczacıbaşı-Koramic Building Chemicals leads the national market.

Apart from a wide range of adhesives and grouts in colors that complement the Division's tile series, Eczacıbaşı-Koramic Building Chemicals manufactures leveling and insulating compounds. Here, it is introducing new products to the Turkish market, such as fast-drying leveling compounds, insulating compounds for pools, environment-friendly adhesives and anti-bacterial silicon.

Eczacıbaşı-Koramic Building Chemicals markets these products under the Vitrafix brand and distributes them through the dealership network of the Division's national marketing and sales company, Intema. To ensure full customer satisfaction, the Company has established a team of consultants to advise consumers on the types of grouts and adhesives most suitable for their particular application.

Like other Division companies, Eczacıbaşı-Koramic Building Chemicals aims to export a significant portion of its output. In 2001, exports represented 17 percent of its total sales; the Company plans to raise this to 25 percent in 2002. All Vitrafix products are tested and approved to exacting European standards.



## DOĞA MINERALS TRADING COMPANY

Doğa Minerals is involved in the international trade and marketing of industrial minerals, chemicals, heating insulation materials, metals and ferrous alloys. Operating from a large warehouse in Istanbul, from which it offers a range of logistical services, Doğa Minerals represents more than 50 companies around the world in these product areas, including English China Clay, Unifrax and Elkem.

Doğa Minerals' primary customers in Turkey are the ceramic, glass, abrasive, welding electrode, refractory, and iron and steel industries, which require exacting quality, and efficient and rapid delivery services. Doğa Minerals has built a strong reputation in these areas, buttressed in 2001, by RWTÜV ISO 9002 certification and a call service for customers.

Apart from serving the national market, Doğa Minerals exports a number of high quality industrial minerals to the Middle East, North Africa and Europe. In 2001, these exports represented 22 percent of its total sales.

## MARKETING AND SALES: THE CRITICAL LINK IN ENSURING PRESTIGE BRAND DELIVERY

As with the Eczacıbaşı Group's other divisions, the Building Materials Division's key strength lies in its combination of excellent product quality and strong marketing and sales. Eczacıbaşı has long maintained that sustainable market share growth critically depends on providing the best possible services to customers at all stages of the delivery process, from the manufacture of a product through to its installation and servicing. For this, the Division has developed a marketing and distribution system in Turkey and overseas that enables it to maintain close contact with customers and continually receive their input.



## INTEMA BUILDING MATERIALS MARKETING AND SALES

Intema, the Division's sole marketing and sales company in the national market, provides a direct link to Turkish consumers. Listed on the Istanbul Stock Exchange, where 48.52 percent of its shares are trading, Intema is responsible for marketing all Division products and for maintaining a strong nation-wide distribution network. At end-2001, this comprised 79 exclusive and 45 brand-loyalty dealerships as well as 700 retail outlets carrying the Vitra and Artema logos on their storefronts.

Intema's dealer network, already one of the most extensive and effective in the sector, was strengthened further in 2001 by the launch of a B2B order collection and data warehousing system for authorized dealers. By end-2001, 110 of Intema's 124 authorized dealers were placing orders through this system.

Intema also owns and operates seven elegant bathroom and kitchen retail showrooms and five tile centers in Turkey's major cities. The primary aim of these centers, which feature the full array of Division products as well as selected high-range imports, is to increase consumer awareness of the variety and features of the Division's products. They also contribute to between 10 to 12 percent of Intema's overall sales.

**Intema is the Division's ambassador of quality in the national market; its mission is to exceed customer expectations.**

Intema is one of the few building material distributors in Turkey to offer comprehensive design and after-sales services as well as turnkey solutions. Its showrooms and information centers have professional design staff and software to help customers develop their architectural drawings and deliver their orders on-line to Division companies. Intema also has in-house staff to oversee the installation of projects on customer demand and 114 authorized servicing stations around the country, to which it provides continual training.

In addition to dealership and retail distribution channels, Intema employs direct marketing through PartnersClub, a loyalty program for building professionals, retailers, authorized servicing stations, plumbers and large-scale customers. Intema communicates with PartnersClub members through direct mailing, a newsmagazine and since

2001, an interactive PartnersClub web site, [www.partnersclub.com.tr](http://www.partnersclub.com.tr). The launch of this web site, which enables Intema to communicate rapidly new products, services and sales campaigns, contributed to a nine percentage-point increase in the share of loyalty sales in 2001.

Intema also manages two consumer-oriented web sites: [www.intema.com.tr](http://www.intema.com.tr), launched in 2000, and [www.vitra-artema.com.tr](http://www.vitra-artema.com.tr), launched in 2001. In 2002, it plans to launch an interactive web site that will assist users design their bathroom and kitchen suites, [www.vitradesign.com.tr](http://www.vitradesign.com.tr).



## MARKETING AND SALES COMPANIES ABROAD

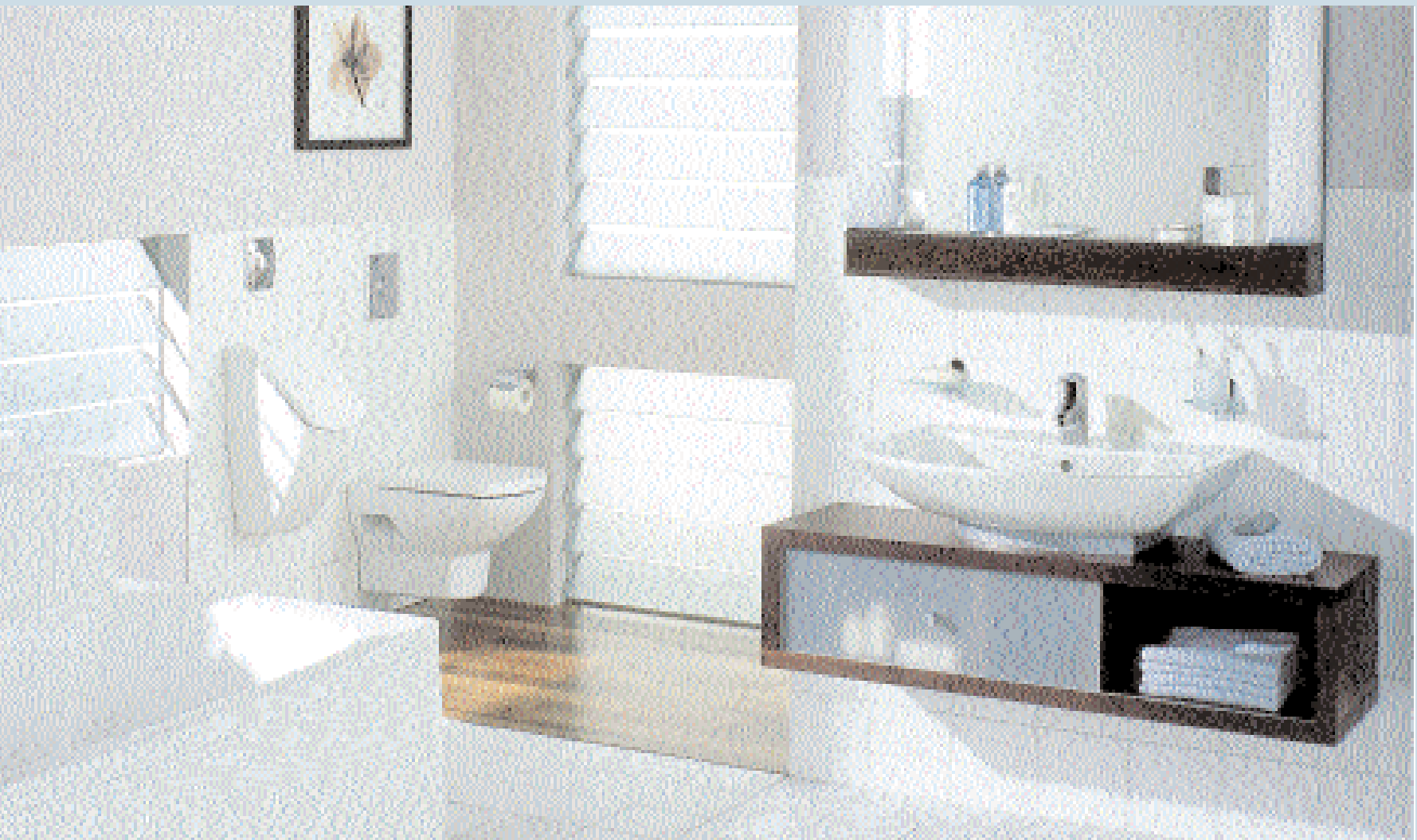
Eczacıbaşı's Building Materials Division has four overseas marketing and sales companies that are actively promoting the Division's export sales in major international markets. The two largest are Ekom Sanitaermarketing GmbH in Kerpen, Germany, and Vitra Ltd. in Oxon, the UK. Eczacıbaşı Building Materials Joint Stock Company, which is located in Moscow, primarily focuses on Russia and neighboring markets. Vitra USA, located in Norcross, Georgia, serves the large US and Canadian markets.

## EKOM GMBH

Ekom GmbH was established in 1992 to develop the Division's exports in Central Europe. During most of the 1990s, the Company focused its marketing activities on Vitra-branded ceramic sanitary ware, contributing to the building of a strong 12 percent share in the German market for these products and a 10 percent share in the Austrian market.

Since 1998, Ekom GmbH has expanded its product range to include sanitary fittings, acrylic bathtubs, bathroom furniture, wall and floor tiles and bathroom accessories. With this strategy, Ekom GmbH aims to make Vitra a leading brand for complete bathroom solutions in Central European markets.

Ekom GmbH works with 350 wholesalers that reach 1,200 retail outlets throughout Central Europe. Supported by a large stockroom at the Company's headquarters, this organization enables Ekom GmbH to deliver products anywhere in Central Europe within 48 hours.



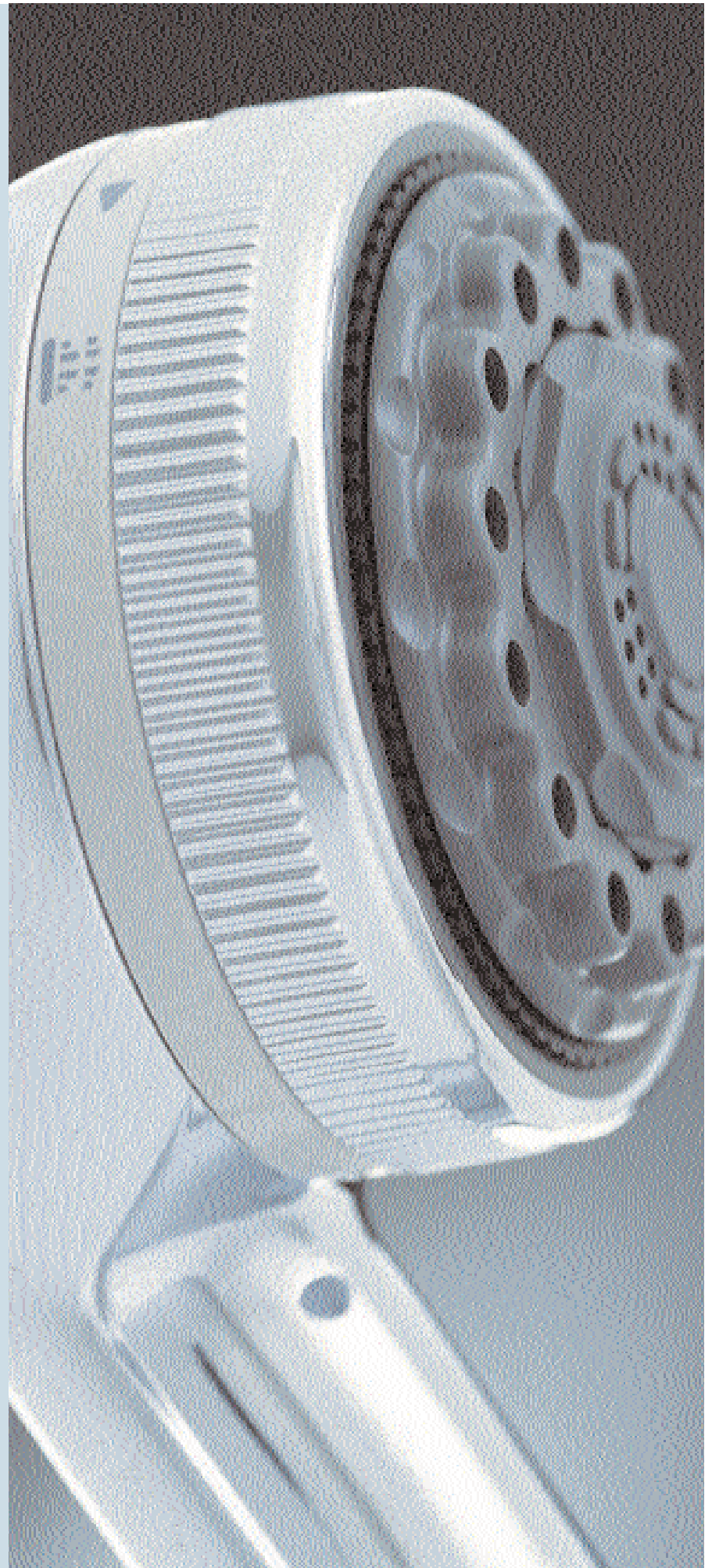


## VITRA (UK) LIMITED

Vitra (UK) Limited was established in 1992 to promote the Division's exports to the UK and Irish markets. With the exception of ceramic tiles, now handled by Vitra Tiles Ireland, the Company manages the full range of Vitra and Artema branded products, including ceramic sanitary ware, acrylic baths, sanitary fittings, accessories and bathroom furniture.

Vitra UK has helped the Division achieve a 5 percent share of the UK ceramic sanitary ware market by establishing a well-organized distribution channel and offering first class customer service. The breadth of Vitra UK's product portfolio means that it enjoys a mass market positioning, but can also offer design-led, up-market items for a niche audience.

Vitra and Artema products are currently available to consumers in more than 300 retail outlets in the UK. The core of this network comprises 150 'Showrooms of Excellence', a chain of dedicated Vitra retailers.





## CONSUMER PRODUCTS DIVISION

A brand-focused personal care group comprising:

### **İpek Kağıt Tissue Paper**

Turkey's largest manufacturer of tissue paper products and a major exporter of tissue paper reels

### **Eczacıbaşı-Beiersdorf Cosmetic Products**

A marketing company leading the national skin care market.

### **Eczacıbaşı-Avon Cosmetic Products**

Turkey's strongest direct sales company

### **Eczacıbaşı-Schwarzkopf Professional Hairdressers' Products**

A marketing company controlling the Turkish hair coloring market

### **Girişim Marketing**

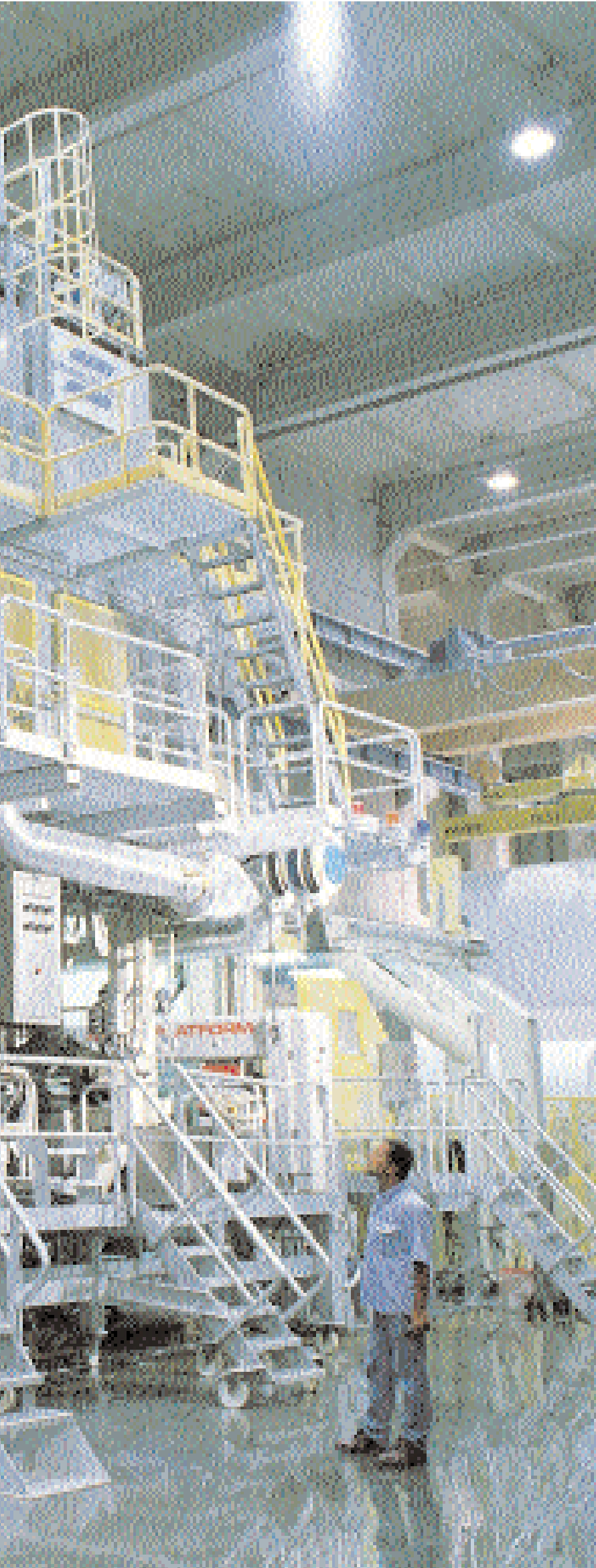
Turkey's most extensive FMCG sales and distribution company

The Eczacıbaşı Group has long viewed personal care and hygiene as an indispensable part of modern, high quality and healthy life- styles. From its earliest years, the Group has sought to make essential personal care products available to the national market and to raise consumer awareness of the health benefits of these products. In the process of revolutionizing personal care habits in Turkey, the Eczacıbaşı Consumer Products Division has built up the strongest portfolio of personal care and tissue paper brands in the Turkish market.



**"Development is the product of talented people who are dissatisfied by what they have seen and grown accustomed to."**

Dr. Nejat F. Eczacıbaşı



## **BRINGING LOCAL STRENGTH TO GLOBAL BRANDS**

The Consumer Products Division is a showcase of the Eczacıbaşı Group's strong international partnership culture, with four of its five companies being equal share ventures with global leaders in their sectors.

- İpek Kağıt, the Division's sole manufacturing operation, is a joint venture with Georgia Pacific, the world's largest tissue paper producer.
- Eczacıbaşı-Beiersdorf, a skin care marketing company, is a joint venture with Beiersdorf, Europe's top supplier of personal care products.
- Eczacıbaşı-Avon is a joint venture with Avon, the global leader in cosmetic direct sales.
- Eczacıbaşı-Schwarzkopf is a joint venture with Schwarzkopf, Europe's leading hair coloring supplier.

These powerful partnerships share more leading brands in their main product categories than any other FMCG group in Turkey, with 13 of their 29 brands ranking first in their respective segments in 2001. This strength is buttressed by the extensive retail coverage of Girişim, the Division's flagship sales and distribution company. Serving a number of independent international brands as well as those belonging to Division partners and companies, Girişim reaches roughly 90 percent of the estimated 180,000 outlets comprising Turkey's complex retail structure.

## BUILDING AND MAINTAINING SHARE IN HIGHLY COMPETITIVE MARKETS

The Consumer Products Division has a long record of keeping ahead of its challengers and winning share from incumbents in new markets, a record that it continued to maintain in 2001.

Last year, the Division's direct sales company in the personal care market, Eczacıbaşı-Avon, definitively overtook the former market leader in this sector, capturing a 65 percent share of direct personal care sales. In the highly competitive skin care market, made more so by the movement of selective products to large outlet shelves, Eczacıbaşı-Beiersdorf increased its share from 34 to 35 percent. İpek Kağıt, the long-time leader in the national tissue paper market, raised its controlling share by eight more percentage points to well over half of the market.

These achievements were particularly notable given the sharp rise in competition last year caused by high-end brands moving into the mass-market segment and consumer flight to low-grade, unbranded products. They were unable, however, to cushion the Division from the full impact of an estimated 18 to 20 percent contraction in the dollar value of the national personal care market. Despite an exceptional 76.5 percent increase in export revenues, the Division's net sales dropped 12.3 percent in 2001 to \$270.5 million.

Like other groups serving primarily the Turkish market, the Division was greatly affected in 2001 by the 9.4 percent real decline in GNP and 115.3 percent increase in the Turkish lira value of the US dollar. Apart from elevating the cost of final products imported by the Division's marketing companies and raw materials purchased by İpek Kağıt, the devaluation caused foreign exchange losses on long-term hard currency bank loans extended to İpek Kağıt for its third tissue paper line investment.

The bottom-line result was a net loss of \$26.0 million for the Division in 2001, despite solid profits from three of the Division's five companies and a 75.4 percent increase in the dollar value of the Division's overall operating profit.

## FORTIFIED AND POISED FOR RENEWED GROWTH

With its leading brands strengthened further by improved market shares, the Division is prepared to take full advantage of the gradual recovery in domestic consumer demand that is expected to start in 2002.

At the forefront of this effort will be İpek Kağıt, whose recent investment in a third tissue paper line has consolidated its leadership in the national market and moved it firmly into the ranks of Europe's top tissue paper manufacturers. Already producing at full capacity by end-year 2001, İpek Kağıt aims to increase significantly both its sales in the national market and its exports of finished tissue products in 2002.

### Financial Highlights\*

\$ Million

	1999	2000	2001
Net Sales	249.7	308.6	270.5
Exports	6.4	19.2	34.0
Investments	37.2	30.5	7.0
Pre-Tax Earnings	15.0	12.2	-26.0

\*Combined results of Group companies



## İPEK KAĞIT TISSUE PAPER

İpek Kağıt, the Division's largest company and a 50:50 joint venture with Georgia Pacific, is the foremost supplier of tissue paper products to the Turkish market and a major exporter of tissue paper jumbo rolls to European and Middle Eastern markets.

İpek Kağıt's modern plant in Karamürsel, 150 kilometers east of Istanbul, ranks among the top three in Europe in terms of capacity and technological infrastructure. This position was consolidated in 2000 with the installation of a third tissue paper line, which increased İpek Kağıt's capacity from 37,000 to 87,000 tons and enhanced its ability to produce sophisticated multi-layer products.

İpek Kağıt primarily manufactures toilet paper, napkins, handkerchiefs, towels and facial tissues for homes and commercial establishments. It is also a major exporter of high quality tissue paper and since late 2001, of finished tissue paper products, with sales to 29 countries in 2001. This is one area that the Company plans to expand in the coming years through the development of products for specific international markets.

**Continual innovation and an unwavering dedication to exceeding consumer expectations have secured İpek Kağıt's unchallenged leadership in the Turkish tissue paper market for more than three decades.**

Product development is a fundamental strength of İpek Kağıt. Continual investments in new converting technology, a skilled research and development team, and close collaboration with its international partner have allowed İpek Kağıt to launch an average of 60 product upgrades, new products and product variants per year. Many of these have been developed specifically for the Turkish market, such as the Solo Super Napkin, an extra-oil-absorbent napkin with a patented embossing and fiber furnish, and Selpak Aqua, a temporary wet resistant, super-soft toilet paper. Several are innovations on a global scale, such as Selpak Cep, a pocket-sized handkerchief pack containing full sized facial tissues and Selpak Çift Kapaklı, a patented tissue box with an opening on the side of the box as well as on the top, for easy use in vehicle compartments.

Another strength is İpek Kağıt's ability to develop and maintain strong brands. İpek Kağıt has four main consumer brands, one for each segment of the market, as well as

several private label brands and two away-from home brands for the fast growing dispenser segment. In each of these it is the leader, with Selpak, its flagship brand at the high end of the market, ranking second only to Coca Cola in national consumer recognition according to recent independent research. Overall, İpek Kağıt's share of the national market is twice as high as its nearest competitor, a position it reinforced in 2001 with an eight percentage point increase in its market share.

This achievement reflects İpek Kağıt's pioneering role in Turkey's tissue paper market and its continual drive to exceed consumer expectations. Since its establishment in 1969, İpek Kağıt has led the sector in product range and quality, being the first to introduce just about every tissue paper product to the Turkish market and the first to upgrade these with technological innovations.

Leadership has brought challenges and responsibilities. İpek Kağıt has been at the forefront of campaigns to raise consumer awareness of the hygienic benefits of tissue paper products through seminars, advertisements and the distribution of product samples. Over the last decade, İpek Kağıt has distributed 1,800,000 sample toilet rolls and 1,000,000 kitchen towels together with hangers and brochures. In 2002, it is organizing seminars on personal hygiene at elementary schools and plans to distribute 400,000 toilet roll and kitchen towel samples to households, mainly in the lesser-developed regions of the country.

İpek Kağıt has also led the sector in quality assurance. It was the first tissue paper manufacturer in Turkey to receive ISO 9002 certification and become a member of the European Foundation for Quality Management (EFQM). It is the only company in its sector to receive the national TÜSİAD-KaİDer Quality Prize presented jointly by the Turkish Industrialists' and Businessmen's Association and the National Quality Association.



## PERSONAL CARE LEADERSHIP THROUGH WORLD-CLASS BRAND MANAGEMENT

Three of the world's leading personal care companies – Beiersdorf, Avon and Schwarzkopf – have chosen Eczacıbaşı as their partner in the Turkish market to manage their brands and build long-term brand value. They have selected Eczacıbaşı for its proficiency in brand management, demonstrated by the success of its own brands, and its shared dedication to customer focus.

Today, Eczacıbaşı's Consumer Products Division is the leading supplier of skin care products, deodorants, direct sale cosmetics and professional hair coloring to the Turkish market. It has achieved this through the effective positioning of its three marketing companies and the first-rate distribution activities of Girişim Marketing, its flagship sales and distribution company.

## ECZACIBAŞI-BEIERSDORF COSMETIC PRODUCTS

Eczacıbaşı-Beiersdorf Cosmetics was founded in 1993, some 30 years after the Eczacıbaşı Group first introduced the Nivea line of skin care products to the Turkish market. Today, it is the largest supplier of skin care products in Turkey, with a 35 percent share of the overall skin care market and leading shares in the facial care, facial cleaning, body care, baby wipes and deodorant segments.

Eczacıbaşı-Beiersdorf manages six brands of personal care and skin care products and over 500 product variants in 19 product groups. Three of these joined the Company's portfolio from the Eczacıbaşı Group: Egos (hair styling), Selin (eau de cologne), 18+ (male fragrances). The remaining three – Atrix (skin care), 8x4 (deodorants) and Nivea and its sub-brands – were brought to the joint venture by Beiersdorf. Most of these lines are manufactured at Beiersdorf's facilities in Western Europe. Egos, Selin, 18+ and Nivea Cream are produced at Eczacıbaşı Pharmaceuticals' plant in Lüleburgaz.

In recent years, Eczacıbaşı-Beiersdorf has greatly expanded the range of Nivea sub-brands in its portfolio. Currently, it markets 14 Nivea sub-brands in Turkey, including: Nivea Cream (skin care), Nivea Visage (face care), Nivea Body (body care), Nivea Sun (sun protection), Nivea Lip Care, Nivea Soft (skin care), Nivea Beauté (makeup), Nivea Deodorant, Nivea for Men (shaving and after-shave products), Nivea Hair Care (shampoos), Nivea Hair Styling, Nivea Soap, Nivea Bath Care (body shampoos) and Nivea Baby (gentle products for babies).

In seven of these categories, Eczacıbaşı-Beiersdorf's market share is 3 to 15 percentage points higher than the average market share of Beiersdorf operations in six European countries. These results reflect the unique strength of Eczacıbaşı-Beiersdorf's marketing operations and the effectiveness of the distribution services provided by the Group's national marketing and distribution company, Girişim.







## ECZACIBAŞI-AVON COSMETIC PRODUCTS

Eczacıbaşı-Avon is a complete care cosmetics marketing company with five main product categories – makeup, skin care, hair care, personal care and fragrances – and around 350 product variants, a remarkable portfolio.

Established in 1993, Eczacıbaşı-Avon was the second to enter Turkey's fast-growing market for direct sales of cosmetics. Within six years, it had definitively captured the lead from its international rival, twice earning it recognition from the Avon Corporation as the fastest growing overseas Avon venture.

Today, Eczacıbaşı-Avon dominates Turkey's direct cosmetics sales with a 65 percent share and is challenging the retail cosmetics market. In 2001, Eczacıbaşı-Avon captured a 6 percent share of the national cosmetics market, with first-place ranking in fragrance sales and second-place ranking in makeup.

Eczacıbaşı-Avon has achieved this through the steady expansion and effective management of its sales force, now numbering 65,000 in 80 cities throughout Turkey, well-planned and executed product launches and continuous improvements in the services and products offered to both representatives and consumers. One of the few direct marketing companies to offer long-term career opportunities, Eczacıbaşı-Avon is committed to providing the greatest possible support to its sales representatives. Examples of this in 2001 included the establishment of a web site enabling representatives to place and track orders online and the initiation of an automatic credit card-based payment collection system for sales representatives. Both are expected to contribute significantly to representative order volumes over the next few years.

## ECZACIBAŞI-SCHWARZKOPF PROFESSIONAL HAIRDRESSERS' PRODUCTS

Eczacıbaşı-Schwarzkopf Professional is the long-standing national leader in professional hair coloring products and ranks second in professional hair styling products, with respective shares of 37 and 38 percent in the sale of these products through hairdressers. It is also expanding its presence in professional hair care products, where its share is now 10 percent.

Established in 1999, Eczacıbaşı-Schwarzkopf Professional is the youngest joint venture in the Division but builds on a partnership that started in 1952, when the Eczacıbaşı Group first introduced Schwarzkopf hair products to the Turkish market. Today, Eczacıbaşı-Schwarzkopf markets five main Schwarzkopf brands in Turkey. These include the Igora line of professional hair coloring products, Bonacure hair shampoo and hair care products, the Silhouette and OSIS lines of hair styling and finishing products and Natural Styling permanents. Bolstered by the launch of 81 new product variants during the year, Eczacıbaşı-Schwarzkopf's portfolio expanded to 224 products in 2001.

Eczacıbaşı-Schwarzkopf is strongest in the high-end of the professional hairdressers market, with a 35 percent share of hair coloring sales through A-class hairdressing salons. It is seeking to expand its position further in the coming years with innovative coloring and care products and professional haircutting seminars for hairdressers, preparations for which it began in 2001. Overall, Eczacıbaşı-Schwarzkopf products are found in 7,400 of Turkey's 11,200 registered hairdressers and 2,400 of the 8,000 retail outlets in Turkey selling these kinds of products.



## MODERN DISTRIBUTION SOLUTIONS FOR A COMPLEX RETAIL MARKET: GİRİŞİM MARKETING

Underlying the success of the Division's powerful brands is its well established distribution and marketing operation, Girişim Marketing, a fully owned Eczacıbaşı Group company established in 1978.

Girişim Marketing ranks among Turkey's top two FMCG sales and distribution companies in terms of the size and sophistication of its operation and the breadth of its product range. Managing 28 brands and just under 1000 product variants, Girişim is the market leader in 12 of its 20 product categories.

This achievement reflects the extensive retail coverage of Girişim's distribution network, which operates from seven regional offices and cooperates with 78 exclusive distributors and 367 large wholesalers. The combined reach of this multi-layer network is 80 to 95 percent of the 180,000 outlets in Turkey holding Girişim's product categories.

These include:

- traditional food and grocery outlets;
- modern retail outlets, supermarkets and hypermarkets;
- perfumeries;
- pharmacies;
- hairdressers;
- hotels, restaurants, offices, hospitals and other institutions comprising the away-from-home market.

Girişim has separate sales teams at its headquarters for each outlet category. It is the only marketing and distribution company covering all these categories in each of Turkey's 81 far-spread provinces.

**Girişim's electronic order, tracking and reporting systems provide for the most sophisticated needs of international brand managers.**

Girişim's success also derives from its dynamic approach to new opportunities in Turkey's retail sector, best demonstrated by its investments in information technology and online electronic commerce.

Girişim has equipped its sales and distribution structure with integrated SAP R/3 business software and a virtual private network, providing full automation of sales

processes and three-day delivery to any region of the country. This infrastructure enables sales personnel to place and track orders online and monitor daily sales and stock levels of large accounts, including that of Turkey's largest supermarket chain. It also enables Girişim to produce daily sales reports for its clients in the currency of their choice.

Buttressed by this infrastructure, Girişim has greatly expanded its e-commerce activity in recent years. Since 2000, it is operating an e-commerce site for restaurants, hotels, offices and other corporate customers. Girişim is using this site, the first of its kind in the distribution sector, to market an extensive line of away-from-home cleaning products under its own brand, Maratem, as well as a wide range of tissue products manufactured by İpek Kağıt, the Division's tissue paper company.

In the coming years, Girişim aims to put these investments to the service of new brands of high standing and new clients that share its business principles and management vision. Currently, Girişim serves four Eczacıbaşı Group companies and three independent global brands, including:

- İpek Kağıt (tissue paper products)
- Eczacıbaşı-Beiersdorf (skin care, personal care, baby care, color cosmetics)
- Eczacıbaşı Pharmaceuticals (insecticides, condoms)
- Eczacıbaşı-Schwarzkopf (professional hairdressers' products)
- Bayer (rodenticides)
- 3M (home care products)
- Jordan (toothbrushes)
- Own brand "Maratem" (cleaning products for the away-from-home market)







## FINANCE

### **Eczacıbaşı Securities**

A full-service brokerage company with 20 years experience in Turkish capital markets

### **Eczacıbaşı-UBP Asset Management**

Turkey's first joint venture asset management company

### **Eczacıbaşı Investment Holding**

The first publicly traded investment company in the national market

### **Eczacıbaşı Investment Partnership**

A closed-end investment trust established in 1998

Since 1973, when the Eczacıbaşı Group first entered Turkey's financial sector, it has sought to set an example in service quality, new product development and new technologies enhancing investors' access to markets and products. Committed to pursuing the interests of its clients within strict ethical guidelines, Eczacıbaşı has built a strong reputation among national and international investors for trustworthiness and dedicated customer focus.



## ECZACIBAŞI SECURITIES

Eczacıbaşı Securities, one of the earliest brokerage houses in Turkey, was established in 1976 as a department of Eczacıbaşı Investment Holding, the Group's publicly-traded investment company. In 1982, it acquired independent corporate status as a comprehensive, full-service brokerage house, enabling it to operate in virtually all areas of Turkey's capital market.

Today, Eczacıbaşı Securities is a leading provider of high quality, boutique-type brokerage services in the national market. It also works extensively with international institutional investors, for which it has established an exclusive team of investment experts. In recent years, it has also expanded its services for high net-worth individual investors, to whom it offers customized solutions and a high level of personal attention.

Even with this focus, Eczacıbaşı Securities' retail client portfolio of over 22,000 active accounts continues to be one of the largest among brokerage houses in Turkey. Most of these have been clients of Eczacıbaşı Securities far longer than the market average, indicating a high degree of satisfaction with services received.

**In 2002, Eczacıbaşı Securities is entering its 20th year of operations with a renewed commitment to client-focused solutions.**

In its mission to be the broker of choice for individual investors, corporations and specialized institutions, Eczacıbaşı Securities has sought to invest continually in technologies that enable it to launch new products and services. Eczacıbaşı Securities was among the first brokerage houses in Turkey to offer trading and information services by telephone (TeleInvest-24) and via an online web site (NetInvest-24). NetInvest-24 offers investors real-time electronic access to financial markets and trading with easy-to-use products and interactive services in Turkish and English. Since 2001, Eczacıbaşı Securities has complemented this with an 'active alert system', which informs investors on pre-selected 'buy' and 'sell' points. It has also completed its infrastructure for the new wide area network of the Istanbul Stock Exchange, executing the first-ever direct stock transaction in Turkey from its head office on December 6, 2001.

Eczacıbaşı Securities is committed to producing top quality research that enhances investment performance. Its research division provides regular in-depth analyses on the political environment, the economy, industrial sectors and companies listed on the ISE, as well as on developments in fixed-income and currency markets. Most of this research is accessible through the Company's web site and three international information vendors.



## ECZACIBAŞI INVESTMENT HOLDING

Eczacıbaşı Investment Holding, the first publicly-traded investment company in Turkey, marked the Eczacıbaşı Group's entry in the financial sector. The initial aim of Eczacıbaşı Investment Holding, which was founded in 1973, was to provide an opportunity for Turkish investors to share the rewards of Eczacıbaşı Group investments. As Turkey's capital markets developed, this mission gradually expanded to include participations from other leading Turkish corporations.

Today, Eczacıbaşı Investment Holding has equity participations in about 20 companies and a free float of 43.24 percent on the Istanbul Stock Exchange.

## ECZACIBAŞI INVESTMENT PARTNERSHIP

Eczacıbaşı Investment Partnership is a closed-end investment trust that was established by Eczacıbaşı Investment Holding in June 1998 and offered to the public in January 1999. The aim of the Trust is to provide investors access to the strong returns available from equity investments, utilizing the professional expertise of Eczacıbaşı Securities in portfolio management. Currently, more than three-quarters of the Trust's stock is trading on the Istanbul Stock Exchange.





## ECZACIBAŞI-UBP ASSET MANAGEMENT

This 50:50 partnership between Eczacıbaşı Securities and Union Bancaire Privée of Switzerland is the first of its kind in Turkey in the asset management business.

The partnership unites the global strength of UBP, with branches in 23 countries and over \$39 billion assets under management, with Eczacıbaşı Securities' strong reputation in Turkey for high quality service, integrity and prudent financial policies. By combining these strengths, the Company aims to provide outstanding asset management services to local and international retail and institutional investors.

Initially, Eczacıbaşı-UBP Asset Management will undertake the management and distribution of domestic and foreign mutual funds already issued by the two co-founders. This will give international investors carefully managed access to high returns in Turkey and provide Turkish investors alternative investment opportunities in non-emerging market securities. In the longer term, Eczacıbaşı-UBP Asset Management plans to manage pension and insurance funds, which are set to become the driving force of the Turkish securities market in the coming years.





# INFORMATION TECHNOLOGY

## **Eczacıbaşı Information Technology**

An integrated solution provider with a particular expertise in enterprise solutions and electronic business

## **E-Kart Electronic Card Systems**

The sole magnetic and smart card manufacturer between Italy and China with Europay/ MasterCard and VISA authorization

The Eczacıbaşı Group has long considered information technology to be an indispensable strategic competency. For this reason, the Group's primary goal when it established its first information technology company in 1989 was to assist Eczacıbaşı Group companies' strengthen their competitive edge through comprehensive and carefully-structured information technology investments. Today, the Group has developed this competency into a self-sustaining, independent business activity focusing primarily on 'new economy' applications, a fast-growing niche of the national information technology market.



## ECZACIBAŞI INFORMATION TECHNOLOGY

Eczacıbaşı Information Technology is a provider of comprehensive information technology services with a particular expertise in enterprise solutions and electronic business.

Established in 1989, Eczacıbaşı Information Technology initially focused on assisting Eczacıbaşı Group companies develop IT strategies and infrastructure that would enhance their business performance and enable them to take full advantage of the opportunities offered by electronic commerce. Today, this extensive project encompassing each of the Group's 37 companies is drawing to a close. Now, Eczacıbaşı Information Technology is moving its sights to the national market, where it aims to become a competitive provider of IT solutions for other businesses seeking to improve their operational performance and expand into electronic business.

Reinforced by an organizational restructuring in late 2001 that relieved it of its advisory function within the Group, Eczacıbaşı Information Technology is focusing exclusively on operational services. In its new role, Eczacıbaşı Information Technology is specializing in enterprise resource planning, knowledge management (including workflow and document management systems), customer relationship management, B2B-B2E solutions, portals, data warehousing, electronic commerce, professional services and smart card solutions. Due to its extensive experience with a wide variety of work processes, Eczacıbaşı Information Technology is well equipped to assess quickly and correctly client needs and develop appropriate solutions.

Eczacıbaşı Information Technology cooperates with a number of leading multinational technology vendors in Turkey, including SAP, Microsoft, IBM, Hewlett Packard and Fujitsu-Siemens.

## E-KART ELECTRONIC CARD SYSTEMS

E-Kart Electronic Card Systems, established in 1999, is Turkey's first manufacturer of magnetic strip and smart cards for commercial, military and civilian applications. In this pioneering role, E-Kart draws on the expertise of its equal share joint venture partner, Giesecke & Devrient (G&D), a world leader in banknote printing and smart card technology.

E-Kart's plant, operational since April 2001, incorporates the best engineering features of Giesecke & Devrient's 14 other production facilities worldwide. In addition to a manufacturing capacity of 30 million cards, the plant is equipped with the security infrastructure and machinery to design, produce, personalize and securely deliver smart cards to their owners. Largely due to these features, E-Kart is the only smart card manufacturer between Italy and China with Europay/ MasterCard and VISA authorization for both the manufacture and personalization of magnetic and smart credit and debit cards.

Initially, E-Kart is focusing on customer and need-based card solutions for clients in Turkey and nearby regions. Apart from personalizing magnetic and smart cards for banks and other financial institutions, E-Kart is writing the software for, and producing, 8K and 32K cellular phone chips; ID cards for transport companies and frequent flyer cards for airlines. Its newest card line, Smart Logon, comprises security features for computer terminals, including user authentication, digital signature certificates and key management certificate authority. E-Kart offers this card with a biometric (fingerprint) feature for clients requiring maximum security.

E-Kart has applied to the Turkish Ministry of Defense and NATO for 'secure site' certification, a process that entails a complex process of security checks over a two to three year period. This certification will enable E-Kart to produce high security cards for the military, government agencies and public sector institutions.

## WELDING TECHNOLOGY

### KAYNAK TEKNIĐİ WELDING ELECTRODES

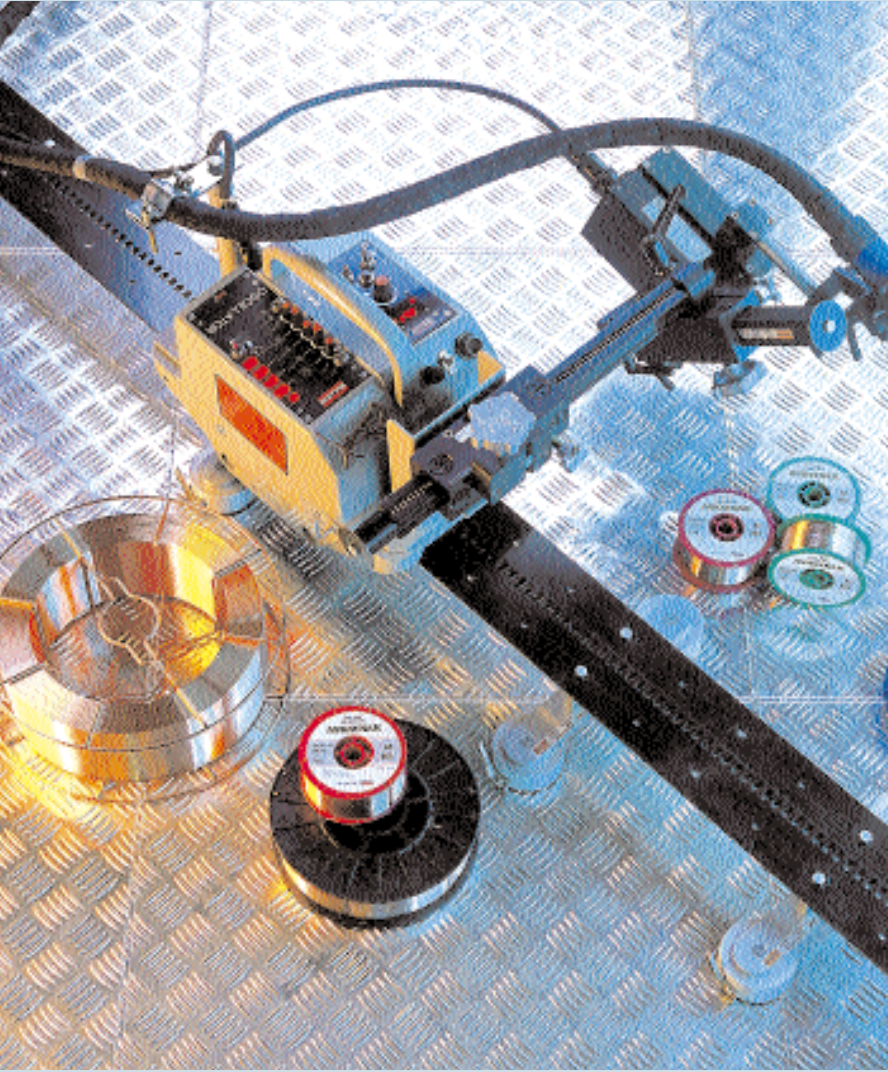
Kaynak Tekniđi Welding Electrodes, the Group's sole welding technology company, ranks among Turkey's top two manufacturers of welding electrodes and wires, with a 35 percent share of the national market. The Company is a joint venture with Lincoln Electric, the world leader in the design, development and manufacture of arc welding products, robotic welding systems, plasma and oxyfuel cutting equipment.

Kaynak Tekniđi's modern plant has annual capacity of 22,000 tons of stick electrodes, 2,500 tons of submerged arc welding wires and 15,000 tons of SG2 wires. It markets these under its own brand names - Askaynak and Kobatek - as well as that of Lincoln Electric, and distributes through a 100-strong nationwide dealer network.

Kaynak Tekniđi's strong position in the highly competitive Turkish market reflects the accurate positioning of its two main product lines. Askaynak focuses primarily on welding electrodes and wire products (MIG/MAG and submerged arc welding wires) for the manufacturing industry, while Kobatek mainly carries welding products for protective maintenance and repair welding.

Kaynak Tekniđi's strength also derives from its long-standing focus on quality, which earned it, in 1999, the TÜSİAD-KalDer Quality Award for Small and Medium-sized Enterprises. Kaynak Tekniđi has ISO 9001 certification from RWTÜV and product approvals from leading international certification bodies. The first in its sector to initiate exports less than ten years ago, Kaynak Tekniđi now generates 30 to 40 percent of its sales from exports to more than 45 countries around the world.

Kaynak Tekniđi and Lincoln Electric's relationship dates back to 1992, when Kaynak Tekniđi became the exclusive distributor in Turkey for Lincoln Electric welding machinery and equipment. In 1998, this agreement was transformed into a full-fledged partnership with Lincoln Electric's acquisition of a 50 percent stake in the Company. Through this partnership, Kaynak Tekniđi has developed valuable links with Lincoln Electric's global operations, which include manufacturing operations, joint ventures and alliances in 18 countries and a network of distributors and sales offices covering more than 160 countries.







## CORPORATE CITIZENSHIP

From its earliest years, the Eczacıbaşı Group has been committed to improving living standards in Turkey. It has endeavored, first and foremost, to provide Turkish consumers with first-rate products and services that contribute to modern, high quality and healthy lifestyles. In this process, it has sought to act responsibly towards its environment, employees and community and initiated or supported a wide range of activities aimed at enriching and strengthening modern Turkish society.

This tradition of corporate citizenship has its roots in the history and values of the Eczacıbaşı family. Süleyman Ferit Bey, the father of the Group's founder, was the first university-educated pharmacist of Turkish origin in the Aegean city of Izmir. He started his profession during the turbulent final years of the Ottoman Empire, a period marked by armed conflict, rapid immigration to the cities and epidemic outbreaks. Moved by these conditions, Süleyman Ferit Bey divided his time between his business, charity hospitals and volunteer work in the community, co-founding an association to help immigrants and implementing programs to combat cholera and typhus. A firm believer in public education, he also participated in the founding of the Izmir National Library. This was a goal he would continue to pursue long after the establishment of the Turkish Republic, both as head of the Izmir Chamber of Commerce and Industry and as benefactor of numerous schools and charities.

Dr. Nejat F. Eczacıbaşı, Süleyman Ferit Bey's eldest son and the founder of the Eczacıbaşı Group, was greatly influenced by his father's dedication to improving the conditions of his community. From the outset, Dr. Eczacıbaşı sought to create a business group that would serve its community both by providing vital products and services and by supporting the development of a modern, well-educated and healthy Turkish society.





## ECZACIBAŞI AND THE COMMUNITY

Since 1942, the Eczacıbaşı Group has founded schools, hospitals, dispensaries and pre- and post-natal care centers in both Izmir and Istanbul. It has also established or contributed to the establishment of a number of funds and foundations to promote medical and public policy research, culture and the arts.

One of the most important of these is the Eczacıbaşı Scientific Research and Medical Award Fund, established by the Eczacıbaşı Group in 1959 to promote medical research of the highest caliber in Turkey. Over a period of 42 years, the fund has supported 165 medical research projects and presented 58 awards to Turkish scientists for valuable research in health and medicine. Since 2002, the Scientific Research and Medical Award Fund is also supporting promising research carried out by medical students.

Eczacıbaşı is also an active supporter of policy-oriented research through its sponsorship of the Turkish Economic and Social Studies Foundation (TESEV). TESEV is the successor of the Economic and Social Studies Conference Board, an association founded by Dr. Nejat F. Eczacıbaşı in 1961. This association was transformed, in 1994, into an independent, non-profit think-tank dedicated to conducting and supporting research on public policy issues with Bülent Eczacıbaşı as its first chairman. The Eczacıbaşı Group sponsors an annual contest held by TESEV to promote public policy-oriented research and encourage young researchers in this field.

Established in 1978, the Dr. Nejat F. Eczacıbaşı Foundation has wide-ranging goals: to contribute to Turkey's economic development, education, scientific research and Turkish culture and the arts. For nearly 25 years, the foundation has underpinned many of Istanbul's major cultural events, provided scholarships for talented young musicians to study abroad and supported the Turkish film industry through sponsorship of the Best Turkish Film and Director Awards at the annual Istanbul International Film Festival. The foundation also publishes books on the arts, culture and community life.

The Istanbul Foundation for Culture and Arts, founded in 1973 on the initiative of Dr. Nejat F. Eczacıbaşı, is the organizer of five annual international festivals in Istanbul for film, theatre, music, jazz and the visual arts. The Eczacıbaşı Group's unwavering support and patronage of the Istanbul International Music Festival have contributed

greatly to its growing international prestige. Today, the Istanbul International Festivals attract many of the world's leading performers and artists and most of their events are booked well in advance.

The Eczacıbaşı Group has long been committed to raising public awareness and appreciation of Turkish modern art. To this end, it has developed one of the largest permanent collections of abstract and figurative work by Turkish painters, which it has sought to exhibit in a variety of forums. In 1999, in an effort to increase public access to this collection and other paintings, the Group established a virtual museum of Turkish visual art. In line with contemporary museum norms, the Eczacıbaşı Virtual Museum contains both permanent and temporary collections supplemented by curatorial text. Through this project, the Eczacıbaşı Group hopes to build the infrastructure and public interest for establishing Turkey's first Museum of Modern Art.

The Eczacıbaşı Group is a corporate sponsor of the Turkish Informatics Foundation, established in 1995 through the efforts of the Group's vice-chairman, Faruk Eczacıbaşı, also the foundation's current chairman. The foundation's main goal is to contribute to the development of the legal, technical and physical infrastructure required for Turkey's full transition to an information-based society.

In addition to its contribution to culture, the arts and research, the Eczacıbaşı Group supports the development of talented young athletes through the Eczacıbaşı Sports Club. Established in 1966, the club single-handedly trained many of Turkey's best athletes in the fields of basketball, volleyball, gymnastics and table tennis before focusing its resources exclusively on women's volleyball in the early 1990s. The Eczacıbaşı Sports Club's women's volleyball team has achieved a singular record since its start in 1968. Over this period, it has won 23 National Championships, four National Cups and played in seven European Cup Finals, winning the Championship Cup in 1999. The team is also cited in the Guinness Book of World Records for winning the National Championship 17 consecutive years in a row between the 1972-1973 and 1989-1990 seasons.

## ECZACIBAŞI MEDICAL DAY

On March 12, 2002, the Eczacıbaşı Group commemorated its 60th anniversary with a new event for the medical and research community, the **Eczacıbaşı Medical Day**. The aim of the Eczacıbaşı Medical Day, to be held every two years, is to provide a forum for scientists and health professionals to discuss current medical topics and developments in the health sector and to recognize Turkish scientists carrying out valuable medical and health-related research.

More than 600 people attended the first Eczacıbaşı Medical Day, which focused principally on **Developments and the Outlook for Organ Transplantation in the 21st Century**. Speaking on this topic were three leading figures in this area:

- Prof. Dr. Carl C. Groth, President of the Transplantation Society,
- Prof. Dr. Ronald W. Busuttil, Director of the Dumont-UCLA Transplantation Center at the UCLA Medical Center, and
- Prof. Dr. Munci Kalayoğlu, Director of the University of Wisconsin Liver Transplant Program.

Following the main session, participants were invited to join panel discussions chaired by leading Turkish and international scientists on **Organ Transplantation, Quality in Pharmaceutical Production, Current and Future Developments in Hospital Infections, Home Health Care, Crises and Psychiatric Disorders, and Reproductive Health**. The final event of the day was the presentation of the Eczacıbaşı Scientific Research and Medical Awards. This year's recipients of the fund's top awards were Prof. Dr. Iskender Sayek, Dean of the Medical Faculty at Hacettepe University, for his groundbreaking work on the treatment of hydatid cysts, and Prof. Dr. Munci Kalayoğlu, for his innovations in the area of liver transplantation.



## ECZACIBAŞI AND THE ENVIRONMENT

The Eczacıbaşı Group is committed to investing the necessary resources to ensure healthy workplaces and minimize the impact of its industrial activities on the environment. Because the Group's operations include industrial activities with significant waste by-products, all of the Group's manufacturing plants have been equipped with essential biological and chemical waste-water treatment facilities and, where possible, with facilities that enable the recycling of waste products. To reduce air pollution, the Group's heavy energy-using manufacturers have converted their energy sources to natural gas. Three of the Group's main manufacturing operations (Eczacıbaşı-Vitra Ceramic Sanitary Ware, Eczacıbaşı-Artema Sanitary Fittings and Eczacıbaşı Pharmaceuticals Manufacturing Company) have received ISO 14001 environmental management system certification. Eczacıbaşı-Vitra has also received twice the recognition of the Turkish Ministry of Energy for its energy-saving projects.

In addition to continually upgrading the treatment facilities of its own manufacturing plants, the Eczacıbaşı Group is active in efforts to improve the scope, standards and control mechanisms of Turkey's environmental regulations.

<b>LIST OF ECZACIBAŞI GROUP COMPANIES</b>	<b>Paid-In Capital</b>	<b>Share of</b>
<b>(As of May 30, 2002)</b>	<b>(TL Million)</b>	<b>Eczacıbaşı Group</b>
		<b>(%)</b>
<b>ECZACIBAŞI HOLDING CO.</b>	<b>29,755,155</b>	<b>100.00</b>
<b>PHARMACEUTICALS DIVISION</b>		
Eczacıbaşı Pharmaceuticals Manufacturing Co.	12,182,400	77.26
Eczacıbaşı-Baxter Hospital Supply Co.	19,720,000	50.00
Eczacıbaşı Fine Chemical Products Co.	1,008,000	100.00
Eczacıbaşı Pharmaceuticals Marketing Co.	1,160,000	100.00
Eczacıbaşı Pharmaceuticals Trading Co.	24,000	95.00
Eczacıbaşı-Corridor Health Services, Inc.	1,000,000	50.00
Eczacıbaşı Health Care Products Joint Stock Co.	\$ 7,200,000	100.00
<b>BUILDING MATERIALS DIVISION</b>		
Eczacıbaşı Building Materials Manufacturing Co.	2,500,000	70.82
Eczacıbaşı Ceramic Tiles Manufacturing Co.	11,422,000	98.57
Eczacıbaşı Bathroom and Kitchen Products Co.	3,306,000	100.00
Esan Eczacıbaşı Industrial Raw Materials Co.	6,450,000	100.00
Eczacıbaşı-Koramic Building Chemicals Manufacturing Co.	800,000	50.00
Intema Building Materials Marketing and Sales Co.	972,000	51.48
Doğa Minerals Trading Co.	310,000	100.00
Vitra Tiles (Ireland) Ltd.	IRP 1,400,000	100.00
Ekom Sanitaermarketing GmbH	DM 500,000	100.00
Vitra (UK) Ltd.	£ 410,000	100.00
Vitra USA Inc.	\$ 540,000	100.00
Eczacıbaşı Building Materials J.S.C.	\$ 129,000	100.00
<b>CONSUMER PRODUCTS DIVISION</b>		
İpek Kağıt Tissue Paper Co.	450,000	50.00
Eczacıbaşı-Beiersdorf Cosmetic Products Co.	800,000	50.00
Eczacıbaşı-Avon Cosmetic Products Co.	39,000	50.00
Eczacıbaşı-Schwarzkopf Professional Hairdressers' Products Co.	2,500,000	50.00
Girişim Marketing Co.	1,200,000	100.00
<b>OTHER PRODUCTS AND SERVICES</b>		
Eczacıbaşı Securities Co.	6,000,000	100.00
Eczacıbaşı-UBP Asset Management Co.	1,700,000	50.00
Eczacıbaşı Investment Holding Co.	19,800,000	56.26
Eczacıbaşı Investment Partnership Co.	875,000	27.55
Eczacıbaşı Information Technology Co.	671,611	100.00
E-Kart Electronic Card Systems Co.	5,250,000	50.00
Kaynak Tekniği Welding Electrodes Co.	3,000,000	43.34
Eczacıbaşı Foreign Trade Co.	126,000	100.00
Eczacıbaşı Construction Co.	51,000	100.00
Eczacıbaşı Insurance Agency Co.	5,000	100.00
Yapı-İş Real Estate and Construction Co.	580,000	100.00
Etrade AG	SFR 200,000	99.90



## CONTACT NAMES AND ADDRESSES

**Eczacıbaşı Holding Co.**  
**Eczacıbaşı Holding A.Ş.**  
Chairman of the Board: Bülent Eczacıbaşı  
Vice Chairman: Faruk Eczacıbaşı  
Vice Chairman: Sezgin Bayraktar  
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#### Tashkent Office

Area Sales Supervisor: Gürsel Tüccar  
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#### Eczacıbaşı Health Care Products Joint Stock Co.

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#### Eczacıbaşı-Baxter Hospital Supply Co.

**Eczacıbaşı-Baxter Hastane Ürünleri San. ve Tic. A.Ş.**  
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www.eczacibasi-baxter.com.tr

**Eczacıbaşı Fine Chemical Products Co.**  
**Eczacıbaşı Özgün Kimyasal Ürün. San. ve Tic. A.Ş.**  
Plant Manager: Adil Gören  
Büyükdere Cad. Ali Kaya Sok. No:7 Levent 80640 İstanbul  
Phone: +(90. 212) 350 87 08 Fax: +(90. 212) 350 87 20

#### Plant

Çerkezköy Organize Sanayi Bölgesi  
Fatih Cad. No:12 Çerkezköy, Tekirdağ  
Phone: +(90. 282) 758 17 71 Fax: +(90. 282) 758 17 70  
www.eos.com.tr

#### Eczacıbaşı Pharmaceuticals Marketing Co.

**Eczacıbaşı İlaç Pazarlama A.Ş.**  
General Manager: Bilgehan İleri  
Büyükdere Cad. Ali Kaya Sok. No:7, Levent 80640 İstanbul  
Phone: +(90. 212) 350 80 00 Fax: +(90. 212) 350 84 64  
www.eip.com.tr

#### Eczacıbaşı Pharmaceuticals Trading Co.

**Eczacıbaşı İlaç Ticaret A.Ş.**  
General Manager: Ayşe Özger  
Büyükdere Cad. Ecza Sk. Safter Han No:6 Kat:3  
Levent 80640 İstanbul  
Phone: +(90. 212) 282 59 43 Fax: +(90. 212) 282 59 49

#### Eczacıbaşı-Corridor Health Services Inc.

**Eczacıbaşı Sağlık Hizmetleri A.Ş.**  
General Manager: Sarper Tanlı  
Büyükdere Cad. Ecza Sk. Safter Han 6/3,  
Levent 80640 İstanbul  
Phone: +(90. 212) 279 25 00 Fax: (90. 212) 279 25 05  
www.eczacibasisaglik.com

### Building Materials Division

Vice President: Tayfun İndirkaş  
Deputy Vice President: Hüsamettin Onanç  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 280 52 58  
www.vitra-artema.com.tr

#### Eczacıbaşı Building Materials Manufacturing Co.

**Eczacıbaşı Yapı Gereçleri San. ve Tic. A.Ş.**  
Managing Director: Şadi Burat  
(in charge of Vitra Ceramics Division)  
Managing Director: Reşat Alatalı  
(in charge of Artema Fittings Division)  
Büyükdere Cad. No:193, Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00  
Fax : +(90. 212) 282 67 45 (Vitra)  
+(90. 212) 270 07 77 (Artema)

#### Vitra Ceramic Division (Plants)

**Vitra Seramik Grubu**  
Eskişehir Yolu üzeri 4. km Bozüyük 11300 Bilecik  
Phone: +(90. 228) 314 04 00 Fax: +(90. 228) 314 04 12  
Yunus Tren İstasyonu yanı Kartal 81412 İstanbul  
Phone: +(90. 216) 387 05 20 Fax: +(90. 216) 353 67 56  
www.vitra.com.tr

**Artema Fittings Division (Plant)****Artema Armatür Grubu**

P. K. 34 Bozüyük 11300 Bilecik

Phone: +(90. 228) 314 07 90 Fax: +(90. 228) 314 07 96

www.artema.com.tr

**Eczacıbaşı Ceramic Tiles Manufacturing Co.****Eczacıbaşı Karo Seramik San. ve Tic. A.Ş.**

General Manager: Ahmet Yamaner

Şifa Mah. Atatürk Cad. Çayırova, Tuzla 81700 İstanbul

Phone: +(90. 216) 423 46 00 Fax: +(90. 216) 423 46 13

www.vitrakaro.com

**Eczacıbaşı Bathtubs and Kitchen Furniture Manufacturing Co.****Eczacıbaşı Banyo ve Mutfak Ürün. San. ve Tic. A.Ş.**

General Manager: Zeki Birlik

**Bathtubs**

Cumhuriyet Mah. 13.Sok. No:10 Şekerpınar 41480 Gebze

Phone: +(90. 262) 648 95 00 Fax: +(90. 262) 658 85 94

www.vitrakuvet.com

**Furniture**

E-5 Karayolu Üzeri Şifa Mah. Aslı Sok. 81700 Tuzla İstanbul

Phone: +(90. 216) 423 23 60 Fax: +(90. 216) 423 23 67

www.vitramutfak.com

www.banyomobilyalari.com

**ESAN Eczacıbaşı Industrial Raw Materials Co.****ESAN Eczacıbaşı Endüstriyel Hammaddeler San. ve Tic. A.Ş.**

General Manager: Yüceer Göver

Kısıklı Cad. Ak İş Merkezi No:1/3, Altunizade 81190 İstanbul

Phone: +(90. 216) 343 19 19 Fax: +(90. 216) 333 40 70

**Donetsk Office**

Area Supervisor: Valery Belausov

ESAN Eczacıbaşı Industrial Raw Materials Co.

Floor 4. 4 Ovnatanyan Street, 83017 Donetsk Ukraine

Phone: +(380. 623) 32 35 04 Fax: +(380. 622) 95 56 94

**Doğa Minerals Trading Co.****Doğa Madencilik San. ve Tic. A.Ş.**

General Manager: Yüksel Arda

Ankara Asfaltı Yanyol, Kartal İş Merkezi B Blok, Kat:1

Kartal 81450 İstanbul

Phone: +(90. 216) 452 31 21 Fax: +(90. 216) 452 21 50

**İntema Building Materials Marketing and Sales Co.****İntema İnşaat ve Tesisat Malzemeleri Yatırım ve Pazarlama A.Ş.**

General Manger: Engin Bayraktar

Büyükdere Cad. No:193, Levent 80640 İstanbul

Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 278 10 88

www.intema.com.tr

**Eczacıbaşı-Koramic Building Chemicals Manufacturing Co.****Eczacıbaşı-Koramic Yapı Kimyasalları Sanayi ve Ticaret A.Ş.**

General Manager: Hüseyin Bilmaç

E-5 Karayolu Üzeri Şifa Mah. Atatürk Cad.

Çayırova, Tuzla 81700 İstanbul

Phone: +(90. 216) 423 46 00 Fax: +(90. 216) 423 50 02

**EKOM Sanitaermarketing GmbH**

General Manager: Zeki Şafak Ozan

Heinrich-Hertz Str. 10, 50170 Kerpen Germany

Phone: +(49. 227) 39 85 00 Fax: +(49. 227) 398 50 50

www.vitra-bad.de

**Vitra (UK) Ltd.**

General Manager: Levent Giray

121 Milton Park, Milton, Abingdon, Oxon, Ox 14 4Sa UK

Phone: +(44. 1235) 82 04 00 Fax: +(44. 1235) 82 04 04

**Vitra USA Inc.**

Marketing and Sales Manager: Esin Aksan

1645 Lakes Parkway Suite A Lawrenceville, GA, 30043 USA

Phone: +(1. 678) 376 07 55 Fax: +(1. 678) 376 74 14

www.vitra-usa.com

**Vitra Tiles (Ireland) Ltd.**

General Manager: Robert Hickson

South Quay, Arklow Co. Wiclow Ireland

Phone: +(353. 402) 265 00 Fax: +(353. 402) 913 55

**Consumer Products Division**

Vice President: Erdal Karamercan

Deputy Vice President: Osman Erer

Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 350 86 55

**İpek Kağıt Tissue Paper Co.****İpek Kağıt San. ve Tic. A.Ş.**

General Manager: Baki Gökçümen

Büyükdere Cad. No:193, Levent 80640 İstanbul

Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 269 77 65

www.ipekkagit.com.tr

**Plant**

Tokmak Köyü Altınova 77700 Yalova

Phone: +(90. 226) 462 85 23 Fax: +(90. 226) 462 90 55

**Eczacıbaşı-Beiersdorf Cosmetic Products Co.****Eczacıbaşı-Beiersdorf Kozmetik Ürünleri San. ve Tic. A.Ş.**

General Manager: Hakan Uyanık

Büyükdere Cad. Ecza Sk. Safter Han No:6 Kat:2,

Levent 80640 İstanbul

Phone: +(90. 212) 284 47 84 Fax: +(90. 212) 280 99 92

www.ebc.com.tr

**Eczacıbaşı-Avon Cosmetic Products Co.****Eczacıbaşı-Avon Kozmetik Ürünleri San. ve Tic. A.Ş.**

General Manager: Erol Dönmez

Dereboyu Cad. No:54 Balnak Binası, İkitelli 34670 İstanbul

Phone: +(90. 212) 696 40 50 Fax: +(90. 212) 693 06 16

www.eczacibasiavon.com.tr

**Girişim Marketing Co.****Girişim Pazarlama A.Ş.**

General Manager: Şefik İşeri

Mehmetçik Cad. Fulya Mah. No:63,

Mecidiyeköy 80290 İstanbul

Phone: +(90. 212) 212 86 17 Fax: +(90. 212) 212 70 17

www.girisimpazarlama.com.tr

**Eczacıbaşı-Schwarzkopf Professional Hairdressers' Products Company**  
**Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş.**  
General Manager: Coşkun Bedük  
Mehmetçik Cad. Fulya Mah. No:63, Mecidiyeköy 80290 İstanbul  
Phone: +(90. 212) 216 90 26 Fax: +(90. 212) 216 90 36  
www.eczacibasi-schwarzkopf.com.tr

## Finance

**Eczacıbaşı Securities Co.**  
**Eczacıbaşı Menkul Değerler A.Ş.**  
General Manager: Salih Reisoğlu  
19 Mayıs Cad. Nova Baran İş Merkezi No:4  
Şişli 80220 İstanbul  
Phone: +(90. 212) 234 35 01 Fax: +(90. 212) 234 26 03  
www.emdas.com

**Eczacıbaşı-UBP Asset Management Co.**  
**Eczacıbaşı-UBP Portföy Yönetimi A.Ş.**  
General Manager: Okan Balköse  
19 Mayıs Cad. Nova Baran İş Merkezi No:4 Kat:9  
Şişli 80220 İstanbul  
Phone: +(90. 212) 225 23 00  
Fax : +(90. 212) 234 27 18

**Eczacıbaşı Investment Holding Co.**  
**Eczacıbaşı Yatırım Holding Ortaklığı A.Ş.**  
General Manager: Toker Alban  
19 Mayıs Cad. Nova Baran İş Merkezi No: 4  
Şişli 80220 İstanbul  
Phone: +(90. 212) 234 35 01 Fax: +(90. 212) 234 26 03

**Eczacıbaşı Investment Partnership Co.**  
**Eczacıbaşı Yatırım Ortaklığı A.Ş.**  
General Manager: Salih Reisoğlu  
19 Mayıs Cad. Nova Baran İş Merkezi No:4  
Şişli 80220 İstanbul  
Phone: +(90. 212) 234 35 01 Fax: +(90. 212) 234 26 03

## Information Technology

**E-Kart Electronic Card Systems Co.**  
**E-Kart Elektronik Kart Sistemleri San. ve Tic. A.Ş.**  
Co-Company Manager: Enver İrdem  
Co-Company Manager: Tayfun Tonguç  
Gebze Organize Sanayi Bölgesi İhsan Dede Cad. 500.Sk. No:503  
Gebze 41480 Kocaeli  
Phone: +(90. 262) 648 58 00 Fax: +(90. 262) 648 58 97-97

**Eczacıbaşı Information Technology Co.**  
**Eczacıbaşı Bilgi İletim San. ve Tic. A.Ş.**  
General Manager: Tarık Aşkın  
Büyükdere Cad. No:193, Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 278 62 55  
www.e-bi.com.tr

## Welding Technology

**Kaynak Tekniği Welding Electrodes Co.**  
**Kaynak Tekniği San. ve Tic. A.Ş.**  
General Manager: İlkey Bayram  
Yakacıkaltı, Ankara Asfaltı Yanyol  
Mermer Sok. No:16, Kartal 81450 İstanbul  
Phone: +(90. 216) 377 30 90 Fax: +(90. 216) 377 00 00  
www.askaynak.eczacibasi.com.tr

## Others

**Eczacıbaşı Construction Co.**  
**Eczacıbaşı İnşaat ve Ticaret A.Ş.**  
General Manager: Namık Kemal İzler  
Büyükdere Cad. Ali Kaya Sok. No:7, Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 280 91 55

**EKOM Ecacıbaşı Foreign Trade Co.**  
**EKOM Eczacıbaşı Dış Ticaret A.Ş.**  
Managing Director: Hüsamettin Onanç  
Büyükdere Cad. No:193, Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 324 16 42

**Yapı-İş Construction Works Co.**  
**Yapı-İş Emlak ve İnşaat A.Ş.**  
Büyükdere Cad. Ali Kaya Sk. No:7, Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 236 56 08

**Eczacıbaşı Insurance Agency**  
**Eczacıbaşı Sigorta Acenteliği A.Ş.**  
Manager: Nusret Baloğlu  
Büyükdere Cad. Ecza Sk. Safer Han No:6 Kat:2  
Levent 80640 İstanbul  
Phone: +(90. 212) 325 75 90 Fax: +(90. 212) 278 65 16

**Dr. Nejat F. Eczacıbaşı Foundation**  
**Dr. Nejat F. Eczacıbaşı Vakfı**  
General Secretary: Alp Orçun  
Büyükdere Cad. Ali Kaya Sk. No:7 Levent 80640 İstanbul  
Phone: +(90. 212) 339 90 00 Fax: +(90. 212) 280 82 44

**Eczacıbaşı Medical Awards and Scientific Research Supports**  
**Eczacıbaşı Tıp Ödülleri ve Bilimsel Araştırma Destekleri**  
General Secretary: Suphi Ayvaz  
Büyükdere Cad. Ali Kaya Sk. No:7 Levent 80640 İstanbul  
Phone: +(90. 212) 350 85 57 Fax: +(90. 212) 350 85 71

**Eczacıbaşı Sports Club**  
**Eczacıbaşı Spor Kulübü**  
Manager: Cemil Ergin  
Cendere Yolu, Pıral Keçeli Bahçesi No:10, Ayazağa 80670 İstanbul  
Phone: +(90. 212) 289 96 40 Fax: +(90. 212) 289 96 50

**Dr. Nejat F. Eczacıbaşı**  
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